

By Edward M. Kennedy
was used from George Washington
University Hospital in Washington
treatment for mild hepatitis
is resting at his home in nearby
Beach, Florida, where his 93-
old mother, Rose, has been
hospitalized for treatment for a vi-
rectification.

husband of Margaret Heckler,
U.S. secretary of health and
services, has filed suit for a
re, according to court docu-
in Arlington, Virginia.
Heckler asked the court to
their 30-year marriage because
"deserted and abandoned"
on or about Oct. 30, 1963,
years before she was elected
as first of eight terms in the
of Representatives. In sepa-
documents, Mrs. Heckler, 57,
lengthened his complaints and
of the court to dismiss her hus-
suits. The Hecklers married
953 and have three children,
ing in age from 23 to 26.

violinist Henryk Szeryng,
married German-born Wald-
von Neiges, 42, in a civil cere-
in Monte Carlo. The Polish-
musician is a Mexican cultur-
ambassador and has just
pleated his 50th year of concert
performances. This week, the
sch government released Szeryng
chief of Officer of the Legion
onor. His wife is a writer, poet
linguist. After the wedding,
left for Madrid, where Szeryng
give a concert Jan. 13.

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make a major speech soon on U.S.-
Soviet relations that administration
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The presidential speech is ex-
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One marine on the ground was
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The marine was the first to die in
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Meanwhile, the foreign ministers
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The ministers, Abdel-Halim
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Mr. Khaddam was quoted by the
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Lebanon and the achievement of
national reconciliation."

The ministers were considering
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They were also expected to dis-
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May 17, which Syria and allied
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Official Lebanese sources said
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(Continued on Page 2, Col. 5)

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Soviet Hints at Rebuke of Pilot in KAL Attack

MOSCOW — A Soviet Air Force
magazine has published an article implicitly
critical of the pilot who shot down a South
Korean airliner four months ago.

The January issue of Aviatyaz, a Kosmos
aviation, which came out Saturday, also ap-
peared to express disapproval of the conduct
of officers on the ground who supervised the
interception and destruction of the airliner.
Two hundred and sixty-nine persons were
killed in the incident Sept. 1.

The monthly said the key person in any air
combat is the pilot and it is up to him in
certain circumstances "to make the final de-
cision," particularly when it involves identify-
ing intruding planes and their country of
origin.

The article criticized ground commanders
who "hide behind others" and avoid judg-
ments in difficult situations.

Although the article alluded to the down-
ing of the South Korean airliner, it did not
link its conclusions directly to the incident.
But readers were likely to make the connec-
tion: Soviet statements have acknowledged

that the pilot who destroyed the airliner did
not establish its identity.

The statements also placed responsibility
on local commanders of the Air Defense
Forces, acting on standing orders authorizing
attacks on planes intruding into Soviet air-
space.

The article was signed by Colonel General
Sergei V. Golubev, an air force deputy com-
mander in chief for combat training, whose
responsibilities include the rules of engage-
ment followed by the pilot who fired two
heat-seeking missiles at the airliner over Sa-
khalin Island in the Soviet Far East.

The article, the main feature in the maga-
zine, was illustrated with photographs of pi-
lots flying Sukhoi-15 fighters, the kind used
in the attack on the South Korean plane. The
journal is distributed to flight crew members
around the country, and there seemed no
doubt that it would be read as a lecture on the
lessons to be drawn from the downing of the
airliner.

Soviet military commanders defended the
decision to attack the airliner. But there have
been reports that officers in the Far East
command of the Air Defense Forces have
been reassigned and demoted.

Israel Denies Army Will Withdraw Unilaterally

JERUSALEM — The Israeli
cabinet secretary denied Sunday
that Israel was willing to withdraw
its troops from Lebanon without a
reciprocal pullout by Syrian forces.

The statement by the secretary,
Dan Meridor, came in reaction to
reports published last week in the
Israeli press, and then circulated by
U.S. officials in Washington, that
Israel had revised its policy and
was now willing to consider a pull-
out even with Syrian troops in
place, in eastern and northern Leba-
non.

Speaking to reporters after the
weekly cabinet meeting, Mr. Meri-
dor said "politically Israel's po-
litical position is unchanged, and
that this has been explained last
week to Donald H. Rumsfeld, the
U.S. special envoy to the Middle
East, who held talks in Jerusalem
with Prime Minister Yitzhak Sha-
mir and other officials."

"There is no truth in the reports
of a change in the Israeli position in
this matter," Mr. Meridor declared.

He said Israeli policy was based
on the Israeli-Lebanese agreement
of May 17, which "calls for the
withdrawal of all foreign forces
from Lebanon, Israel included,
and, of course, the Syrians and the
PLO terrorist organizations."

"We insist on this policy," Mr.
Meridor continued. "The Syrians
and the PLO and Israel should
leave Lebanon as part of a simulta-
neous withdrawal — Israel and the
Syrian forces together. This is our
policy."

The text of the May 17 agree-
ment contains no reference to Syri-
an forces. It mentions only an Is-
raeli undertaking to withdraw,
provided that certain security ar-
rangements are made in southern
Lebanon. The Israeli position on a
reciprocal Syrian withdrawal was
reportedly contained in a secret let-
ter or memorandum between Israel
and the United States.

The reports denied Sunday by
Mr. Meridor apparently originated

in a background briefing given to
Israeli journalists by Defense Min-
ister Moshe Arens. Mr. Meridor's
denial was partly an effort to
soothe cabinet members who re-
portedly expressed annoyance at
Sunday's meeting, that important
government policy was being
changed without cabinet approval.

Mr. Arens has made similar
statements on the record before. In
an interview last September with
The New York Times, he said that
Israel might pull out if the Leba-
nese Army could take over the
abandoned positions, and might
withdraw from the coastal and cen-
tral areas of southern Lebanon if
local militias become strong
enough to prevent the Palestine
Liberation Organization from re-
turning to the region.

That view echoed an attitude
that has been expressed by various
Israeli officials in private almost
from the time of the Israeli in-
vasion of Lebanon in June 1982. The
thinking has been that Syria should
not be given a veto over Israeli

deployment, and that Israel should
position its army to suit its security
needs, not to reinforce a dogmatic
demand that has little chance of
being met.

This attitude has been bolstered
by several factors. First, Mr. Arens
has scaled down Israeli goals in
Lebanon from the ambitious desire
to realign Lebanese internal politics
to the minimal objective of pro-
tecting Israel's northern border.

Second, continued casualties
among Israeli soldiers from guerrilla
attacks have weighed heavily on
the Israeli public. A recent poll
found a slim majority of Israelis
saying that the war was a mistake.
Third, a faltering Israeli economy
has placed the government under
pressure to cut budgets, and main-
taining large numbers of troops in
Lebanon is expensive.

The United States is believed to
be opposed to any unilateral Israeli
pullback that would create a vacu-
um and foster new fighting among
Lebanese factions.

S. Africa Begins Angolan Pullout

JOHANNESBURG — South
Africa announced Sunday that its
troops have begun withdrawing
from southern Angola. It also ten-
tatively offered direct negotiations
with the Namibian guerrillas it has
been fighting during a monthlong
incursion.

Foreign Minister R.F. Botha
said Sunday night that he would
be prepared to permit direct talks
between a delegation headed by the
administrator-general of South-
West Africa, or Namibia, and the
South-West Africa People's Organi-
zation.

General Magnus Malan, South
Africa's defense minister, an-
nounced the troop withdrawal Sun-
day but warned that firm action
would be taken again if necessary,
"regardless of the consequences."

Senior military officials said Sat-
urday that South African forces
had killed 324 Namibian guerrillas,
Cuban and Angolan soldiers in a
three-day battle 200 kilometers
(125 miles) north of the Namibian
border.

[South Africa said it lost 21 men,
The Associated Press reported.]

The officials said the operations
in Angola were being scaled down
after achieving their aim of blun-
ting an attempt by about 1,000 guer-
rillas to infiltrate Namibia.

This season of the year is the
time when insurgents have usually
sought to penetrate South-West
Africa because the rains produce
luxuriant foliage and thus cover for
guerrilla infantry, while muddy
tracks slow their mechanized ad-
vances.

A South African officer last month
of a 30-day truce beginning Jan. 31
has been positively received by the
guerrilla organization and Angola,
but both sides have set potentially
unacceptable conditions for a
cease-fire.

In a letter to the United Nations
last week, the president of the
South-West Africa People's Organi-
zation, Sam Nujoma, asked Sec-
retary-General Javier Perez de
Cuellar to arrange a truce through
direct talks with South Africa.

Mr. Botha's said South Africa
would be represented at talks
through its appointed administra-
tor general, Willie van Niekerk.
Observers said this might not be
acceptable to the guerrillas, who
may demand to talk directly to se-
nior South African cabinet minis-
ters and officials.

They called the offer an impor-
tant psychological breakthrough
for South Africa after declarations
in the past that it would never talk
directly to the guerrilla organiza-
tion, known as SWAPO.

"It recognizes SWAPO's staying
power as a political and fighting
force and the indications that their
political influence in Namibia is
growing," said André du Pisani,
a senior political science lecturer at
the University of South Africa.

Observers said guerrilla strength
was reflected in the fact that de-
spite high casualties in combat with
better-equipped South African
forces, they never appeared to be
short of fighters and its leadership
structure remained intact.

SWAPO has fought a sporadic
bush war for 17 years with South
African troops along the territory's
northern border with Angola.

South Africa refuses to consider
statehood for Namibia unless
20,000 to 30,000 Cubans leave An-
gola. The demand, backed by the
United States, has been a major
obstacle to progress toward in-
dependence for the territory.

Underlying South Africa's con-
cern over Namibia is a fear that
independence could bring guerrilla
war to the borders of South Africa.

Kissinger Panel to Warn of Soviet 'Strategic Coup'

WASHINGTON — President
Ronald Reagan's commission on
Central America will urge \$8 billion in U.S. aid by 1990

Soviet Journal Discovers Big Brother — in the White House

By John F. Burns
New York Times Service

MOSCOW — A Soviet political journal claims to have pinpointed the real-life version of George Orwell's novel "1984" — in the United States, under a "Big Brother" named Ronald Reagan.

The current issue of the weekly New Times, published in Russian and in several foreign languages, including English, contends that all the characteristics of Orwell's nightmare society, including Newspeak, the Thought Police and a Ministry of Truth, have their counterparts in modern America.

The article broke a silence that Soviet news organizations have maintained on the Orwell book in recent weeks. While Western publications heralded the new year with profiles of Orwell and fresh assessments of his most famous work, Soviet journals shunned the

subject, reflecting official sensitivities dating from the novel's publication in 1949.

Many Western travelers arriving at Soviet border points with copies of "1984" or of Orwell's other major satire of totalitarianism, "Animal Farm," have had the books seized. Neither has been published here, and official condemnation of them has been taken in the West as an implicit recognition of the parallels between Orwell's vision and aspects of Soviet society.

But Viktor Tsoppo, a New Times writer, dismisses such conclusions. Acknowledging that "for more than 30 years this novel has been interpreted as a portrait of Soviet society and of real socialism in general," he concludes that those "jabbing fingers at our country" have completely misunderstood Orwell, who he says intended his book as a warning of what lay ahead for the capitalist West.

"His novel is a grim warning precisely to bourgeois society, bourgeois civilization, bourgeois democracy

— in which, as he feared, the poisonous roots of anti-humanism, anti-decency and oppression have today thrust up truly monstrous shoots," he wrote.

Mr. Tsoppo sought to bolster his case with quotations from "1984," the first time in the memory of Westerners that the novel has been quoted directly. One quote came from one of the book's most powerful passages, depicting Oceania, which includes Britain and the Americas, as a place where incessant propaganda and surveillance have produced a society in which "complete uniformity of view on all subjects" is possible.

That sequence has often been cited by critics of the Soviet Union as evocative of the worst aspects of Stalinism. But Mr. Tsoppo found in it a reflection of modern America, where, he said, the "rule of omnipotent Big Brother, who is changed every four years, is unidirectional and uncontrolled."

In Ronald Reagan, the writer said, Americans have a leader who claims to be "the inexhaustible source of wisdom, happiness and virtue."

Quoting from "1984," Mr. Tsoppo summoned up Orwell's vision of a society in which the Thought Police watch citizens whether they are awake or asleep, in bath or in bed, and monitor friendships, families, even thoughts uttered in sleep.

"Doesn't that sound just like a directive of the FBI?" he asked.

A few days ago an article in Izvestia, the government newspaper, offered a vision of what life would be like in the year 2084. Under the headline "A World That Will Be Lovely," young authors belonging to the state-controlled writers' union envisaged a society in which weather will be controlled and people will live longer and have more time for the creative arts.

"Naturally, the new society will be Communist," they said.

Habré Refuses to Join Chad Talks After Goukouni Gets Big Welcome

The Associated Press

ADDIS ABABA, Ethiopia — President Hissène Habré of Chad refused Sunday to participate personally in the peace talks here with the leader of the Libyan-backed insurgents and is instead sending a delegation headed by his interior minister.

The talks are to open Monday under the sponsorship of the Organization of African Unity.

The Chad ambassador in Paris, Ahmed Allammi, explaining Mr. Habré's decision not to attend the talks, cited the high-level welcome given to the insurgent leader and former president of Chad, Goukouni Oueddei, when he arrived in Addis Ababa Sunday morning.

Mr. Allammi said that the government side would be represented at the talks by Taher Goukouni, minister of interior and security in the Habré government.

The acting secretary-general of the OAU, Peter Onu, asked whether the negotiations could proceed without Mr. Habré, replied: "It is something we have to be looking at. It will have to be discussed."

African and Western diplomatic sources said Mr. Habré, who had been assumed to be treated as a head of state upon his arrival in Addis Ababa, strongly opposed granting Mr. Goukouni similar status.

Mr. Goukouni was met at the capital's Bole International Airport by Lieutenant Colonel Mengistu Haile Mariam, the current OAU chairman, who called the talks, and five other members of Ethiopia's Marxist Ruling Provisional Military Administrative Council.

However — unlike at the arrival of most state visitors — there was no military guard of honor for Mr. Goukouni to review.

In Paris, Mr. Allammi indicated that Mr. Habré's decision was not linked to the unexpected death Saturday of his foreign minister, Idriss Miskine, from what official sources said was an acute attack of malaria.

Mr. Miskine, 35, died after he returned from Addis Ababa on Thursday after making final preparations for the conference, the sources said.



Hissène Habré

attend. The Chad Embassy in Paris said over the weekend that six other groups, including several supported by Libya, also had been asked to come.

Some of the factions have headquarters abroad, in Nigeria, Cameroon and France.

Arafat-Husseini Dialogue Is Expected to Resume

By Henry Kamm
New York Times Service

TUNIS — A close associate of Yasser Arafat has said that the leader of the Palestine Liberation Organization will meet soon with King Hussein of Jordan to discuss ways of realizing what he calls their "shared target" — a confederation of Jordan and a sovereign Palestinian state.

Khaleel al-Hassan, a member of the central committee of el-Fatah, the largest PLO guerrilla group, which Mr. Arafat heads, said Saturday that the meeting with the king might take place before the Islamic conference that is to open in Casablanca, Morocco, on Feb. 12.

Mr. Hassan said he had met with Hussein in Paris some weeks ago to discuss the meeting.

Mr. Hassan added that the meeting should be read as a reiteration of the PLO's rejection of President Ronald Reagan's 1982 peace plan, which provides for Palestinian autonomy under Jordanian administration.

He said the PLO and Jordan were firm on striving for a confederation in which both entities would retain sovereignty.

Mr. Hassan, interviewed in his villa in an exclusive seaside suburb, said he was speaking officially for el-Fatah. He said a series of meetings in Tunis was considering a strategy for the PLO after Mr. Arafat and his followers fled Tripoli, Lebanon, under pressure by PLO rebels supported by Syria and Libya.

He said Mr. Arafat and his associates resented Western press reports describing their departure from Tripoli as a defeat. He said the Palestinian evacuation from Beirut in 1982 was a loss, because it obliged the Palestinians to give up positions that were used in the military struggle against Israel. He said the Palestinian struggle was not in a military phase now.

"As far as the Arab armies are concerned, the military option is not viable now," Mr. Hassan said. "We have finally accepted to deal with international legality. It is to have two states in one country."

Asked whether this meant the PLO now recognized Israel, Mr. Hassan replied that this was "the question of the devil." He avoided a direct reply by answering, "When I say two states in one country, that is very clear."

Mr. Hassan acknowledged that, after Mr. Arafat's break with Syria and Libya, the PLO seemed to be drawing nearer to Middle Eastern countries that are considered more moderate.

But, he said, Jordan sided fully with Mr. Arafat's rejection of the Reagan plan and backed Palestinian sovereignty. And, despite Mr. Arafat's meeting in December with President Hosni Mubarak of Egypt, Mr. Hassan said it was too early to speak of a resumption of the close relationship that the Palestinians repudiated after President Anwar Sadat signed the Camp David agreement with Israel.

"But Mubarak is not Sadat," Mr. Hassan continued, calling the

Egyptian president's attitude "very encouraging."

Mr. Hassan said Mr. Arafat was not giving interviews. "He needs some time to calm himself. It is not our plan to let him talk now." He said this had been a decision of the Fatah central committee, with Mr. Arafat's agreement, and not a criticism of the chairman.

Democrat Urges U.S. to Leave Beirut

By Leslie Maitland Werner
New York Times Service

WASHINGTON — Representative Robert T. Matsui, Democrat of California, has called for the immediate withdrawal of U.S. Marines from Lebanon.

"It is time to bring our marines home from Lebanon," he said Saturday. "Not tomorrow. Not at some vague distant date. But now."

Mr. Matsui made the call in the weekly Democratic radio address.

Mr. Matsui, a member of a monitoring group on Lebanon headed by Thomas P. O'Neill Jr., the speaker of the House, went further in advocating a withdrawal than Mr. O'Neill did after meeting with the group Tuesday.

Mr. O'Neill had said: "Patience in Congress with administration policies in Lebanon is wearing very thin."

But he said the Democrats wanted to give President Ronald Reagan an opportunity to undertake new diplomatic efforts before trying to force his hand.

Mr. Matsui said in his address: "The first step toward peace is to bring our men home and defuse the hostilities in Lebanon by changing the American profile from one of a marine with an M-16 to a diplomat with a real mission."

All the candidates for Democratic presidential nomination except Senator John Glenn of Ohio have called for a withdrawal from Lebanon.

U.S. Rejects Redeployment

The Washington Post reported from Washington:

The Reagan administration, anxious to avoid fresh congressional debate about the marines, has rejected a proposal to help the Lebanese Army extend its authority by redeploying some marines along Lebanon's southern coast for the time being, U.S. and diplomatic sources said Friday.

The United States wants to defer a decision about moving the marines from Beirut International Airport or even withdrawing some until it has a better idea of whether new security arrangements being worked out by the warring Lebanese factions can be implemented successfully, they added.

Gunmen Fire on Helicopters in Beirut, Killing Marine

(Continued from Page 1)

support for efforts to build up the Lebanese Army and obtain the withdrawal of foreign troops.

They said that General Vessey, who arrived Saturday on an unannounced visit, told Mr. Gemayel that the United States backed his efforts to extend state authority throughout Lebanon and that the Marines would remain until this was achieved.

The Lebanese Army and rightist Christian militias have been fighting Druze and Shiite Moslem combatants.

■ Senators Tour Beirut Base

Joseph B. Treaster of The New York Times reported earlier from Beirut:

Two marines were slightly injured Saturday when a shell exploded as two Republican senators, John G. Tower of Texas, chairman of the Senate Armed Forces Committee, and John W. Warner of Virginia, were visiting their base, a Marine spokesman said.

Before visiting the Marines, the two senators met with President Gemayel, who told them that the role in supporting his policies and that their withdrawal would be harmful to Lebanon, a government official said.

At the U.S. base, the senators, wearing bullet-proof jackets and steel helmets, were briefed by the unit commander, Brigadier General James R. Joy, as machine-gun

fire sparked and mortar shells exploded with flashes and clouds of black smoke on nearby hills.

In another development, Israeli tanks and armored personnel carriers were reported to have raked a main street in the port city of Sidon in Israeli-occupied southern Lebanon three times with machine-gun fire Saturday morning, wounding three persons and damaging more than 20 cars.

One of the wounded was Nazih Mustafa, a reporter for Reuters news agency. An Israeli military spokesman in Tel Aviv said the reports of Israeli tank crews firing machine guns in the streets of the city were "completely untrue."

Contraceptive Maker Found Guilty in U.S.

United Press International

EUGENE, Oregon — A U.S. District Court jury has found the maker of the Dalkon Shield contraceptive device, A.H. Robins Co., guilty of selling a "dangerously defective" product between 1971 and 1974, but he cleared the company of negligence.

The unanimous verdict Saturday by the four-man, four-woman jury opens the way for 12 other suits in Oregon against A.H. Robins. Thirteen women say use of the intrauterine device, which is no longer on the market, caused pelvic infections that limited their reproductive abilities.

WORLD BRIEFS

Reagan Says Socialists Share Values

WASHINGTON (AP) — President Ronald Reagan said in an interview with a French newspaper that Western European countries that have Socialist governments still share basic values, including individual liberties and respect for democracy.

The president's comments came in transcripts released Saturday by the White House of written answers to questions submitted by the rightist French newspaper, Le Figaro. The replies followed an interview in the White House on Dec. 22.

Asked whether he thought that Socialist countries of Western Europe help Communists undermine the West, Mr. Reagan replied, "Many of our staunchest allies have democratic Socialist governments. France is one of them." He added: "Among friends there can be differences in economic philosophy, but this is not so important when we share basic values such as respect for democracy, individual liberties and human dignity."

U.S. Choice of Papal Envoy Expected

WASHINGTON (LAT) — President Ronald Reagan is expected this week to appoint William A. Wilson, a Los Angeles real estate magnate and an informal presidential adviser, as the first U.S. ambassador to the Vatican.

Mr. Wilson has served since March 1981 as Mr. Reagan's special representative to the Vatican, a \$1-a-year job that has ambassadorial rank but does not require Senate confirmation. The ambassadorial post, approved by Congress in November, will require Senate confirmation.

Before the approval, a law banning an official U.S. diplomatic mission to the Vatican had been in existence since 1867. Richard G. Lugar, Republican of Indiana and chairman of the European affairs subcommittee of the Senate Foreign Relations Committee, introduced legislation to repeal the ban last year. A similar bill was introduced in the House.

Bonn Expects Attacks on U.S. Bases

BONN (UPI) — West German intelligence sources said Sunday they expected new attacks on U.S. bases during the continuing installation of U.S. cruise and Pershing-2 missiles.

The sources said police intelligence officers had information that among other groups, the leftist Revolutionary Cells organization, which has been responsible for a number of attacks on U.S. soldiers and bases, was planning major assaults on U.S. Army posts.

The sources said a secret document intercepted from the group had expressed disappointment with the failure of the anti-missile demonstrations in October to hinder deployment of the missiles. "That must now be changed," the letter said. "We cannot be frustrated now, but must attack with all resources in the coming months."

Swiss Socialists Draft Coalition Plan

BERN (AP) — The leaders of Switzerland's Social Democratic Party, the principal loser in October's general election, completed preparations during the weekend for a possible departure from the government coalition that has ruled the country since 1959.

The party's executive committee finished drafting a paper that will be discussed at an extraordinary party congress Feb. 11 and 12. Although the paper lists several alternatives, Helmut Hubacher, the party president, and a majority of the committee reportedly are in favor of ending the coalition with its new Socialist partners.

The issue of leaving the coalition arose last month after Parliament failed to back Lilián Uchtenhagen, the Socialists' official candidate and the first woman to stand for the country's seven-member Federal Council. Instead, the Parliament elected Otto Stich, who was refused party support, to fill the Social Democratic vacancy in the council.

Zhao-Reagan Talks Set for Tuesday

WILLIAMSBURG, Virginia (UPI) — Prime Minister Zhao Ziyang of China and President Ronald Reagan are scheduled to meet Tuesday to discuss the development of relations based on expanding trade and technology.

Mr. Zhao is the highest-ranking Chinese official to come to the White House since Deng Xiaoping, China's foremost leader, visited in 1979 to mark the fall restoration of diplomatic relations.

After a 26-hour stopover in Hawaii, Mr. Zhao left Sunday afternoon on a flight to Williamsburg. Mr. Zhao's talks Tuesday with Mr. Reagan are likely to be dominated by trade matters, and the Chinese leader is expected to sign an agreement on industrial cooperation.

Mitterrand Visits Armenians in France

VIENNE, France (AP) — President François Mitterrand, in an unannounced visit to an Armenian group celebrating the Armenian Orthodox Christmas in this town just south of Lyons, said France honored a community marked by the tragedy of genocide. But he strongly condemned Armenian terrorism.

Mr. Mitterrand was alluding to the Armenian claim that as many as 1.5 million Armenians were massacred by Turks during and after World War I. Armenians have carried out attacks on Turks and Turkish interests to avenge the 200,000 and 300,000 people, one of the world's largest, and many of the terrorist attacks have taken place in France.

Mr. Mitterrand praised the traditions and culture of the Armenian people before referring to terrorist acts as a bomb explosion in July that killed six persons near a Turkish Airlines counter at Orly Airport outside Paris. He said the Armenian cause had sometimes been "led astray through violence" and said France would "never accept terrorism."

Kahane Surrenders, Is Freed on Bail

TEL AVIV (Reuters) — Rabbi Meir Kahane, leader of the extremist Kach Movement, was released on bail Sunday after surrendering to police who charged him last week with incitement to riot.

Rabbi Kahane slipped away from police Thursday after he was arrested on charges of organizing a demonstration in support of a Jewish extremist group that has claimed responsibility for grenade attacks on Moslem and Christian religious sites.

He went into hiding and said he would turn himself in only if police promised to release him on bail. A court judge turned down a police request that he be jailed for three days and released him on the equivalent of \$220 bail.

In-Law Will Face Gandhi Son in Vote

NEW DELHI (Reuters) — Prime Minister Indira Gandhi's daughter-in-law, Maneka Gandhi, announced Sunday that she would run for Parliament in a constituency held by her brother-in-law, Rajiv Gandhi, who is widely regarded as the prime minister's political heir apparent.

Maneka Gandhi, 27, is the widow of Mr. Gandhi's son Sanjay, who died in a plane crash in June 1983. Last March, Maneka Gandhi launched the Rashtriya Sanjay Manch, or National Sanjay Organization. At a news conference here Saturday, she said the organization would present 200 candidates for elections that must be held by January 1985. There are 544 seats in the Parliament's lower house, where Indira Gandhi's Congress-I Party has a two-thirds majority.

Maneka Gandhi's party is expected to concentrate on the northern state of Uttar Pradesh, a Congress-I stronghold. Maneka Gandhi will challenge Rajiv Gandhi in the Amethi constituency of Uttar Pradesh, a seat that had been held by her husband.

Political Ban Is Relaxed in Bangladesh

DHAKA, Bangladesh (Reuters) — Lieutenant General Hussain Mohammed Ershad, the nation's military ruler, has restored limited political activity in Bangladesh to mark the beginning of formal talks with opposition figures.

From now on, the ban on indoor political activity is hereby lifted," he told a gathering of political leaders invited to discuss his plans for what he has called a transition to democracy and opposition demands for a change in a proposed election timetable. A total of 41 political parties attended the talks. However, leaders of the country's two main opposition parties were absent.

General Ershad, who seized power in March 1982 and declared himself president last month, has scheduled a presidential election for May 24 and parliamentary elections for next November. Opposition leaders want a new law lifted and parliamentary elections scheduled for March, in advance of the presidential vote.

For the Record

Rory O'Brady, 51, former president of Sinn Féin, the political organization of the outlawed Irish Republican Army, was seriously injured Saturday in a car crash in County Kildare, Dublin police reported. He served as Sinn Féin president for 14 years and was replaced in November by Gerry Adams of Belfast. (AP)

The Argentine inflation rate rose to 433.7 percent in 1983, believed to be the world's highest rate for the second year in a row, according to figures released Sunday by the government. The 1982 inflation rate in Argentina was 209.7 percent. In June, the government issued new 100 peso notes that were worth one million old pesos. (UPI)

Contadora Peace Bid Stalled by New Proposals

United Press International

PANAMA CITY — Central American foreign ministers at a meeting of the called Contadora peace group have failed to agree on a proposal aimed at ending fighting in the region, officials said Sunday.

El Salvador, Costa Rica and Honduras blocked the agreement at Saturday's meeting, making a counterproposal to the 21-point Contadora plan.

Panama's foreign minister, Edgardo Paz Barmic, played down the split, saying the counterproposal was "a proposal that strengthened, broadened, developed and complemented the Contadora document."

Foreign ministers from the Contadora group — Mexico, Colombia, Panama and Venezuela — opened weekend meetings with their five Central American coun-

terparts hoping to work out final details of an agreement.

The group, named after the Panamanian resort island where the ministers first met a year ago, hoped to base an accord on a call for removal of all foreign military advisers and an arms freeze in the region.

But then the counterproposal, called "Means and Recommendations for the Execution of the Document of Objectives," was announced and hopes for an agreement faded.

Guatemala's foreign minister, Fernando Andrade Diaz-Duran, said his country participated in the counterproposal, though it did not formally join the other three countries in its endorsement.

Oscar Victorio Mejia, the Guatemalan president, said he had instructed Mr. Andrade not to sign

an agreement unless it included the repatriation of about 35,000 refugees living in Mexico.

"We asked the Mexican government, taking into account that it is one of the referees of the regional peace treaty, to work out a clause that would seek the return of these refugees to their homes," Mr. Mejia said.

The proposals, revealed in part by the Honduran government Friday, include a census of military installations, armaments, troops and militia members in each country.

Honduras has proposed a count of foreign military advisers and "the identification of all irregular forces trying to destabilize established governments."

Nicaragua's foreign minister, Miguel D'Escoto Brockmann, said the document amounted to a counterproposal to the 21-point plan

that could stall an agreement for months.

"I believe the Contadora initiative should not be boycotted by making counterproposals all the time," Mr. D'Escoto said. "Although their rhetoric says they accept it, when the proposals are presented they are completely different."

No date has been set for the group's next meeting.

In another development, the Nicaraguan Foreign Ministry sent a protest note to the U.S. State Department saying that aircraft and speedboats used in recent attacks by anti-government rebels had been launched from U.S. Navy vessels stationed off Nicaragua.

The note also said an attack Saturday on a sugar mill by the boats and planes was designed to ruin any chance of success for the Contadora meeting.

Mr. Hassan acknowledged that, after Mr. Arafat's break with Syria and Libya, the PLO seemed to be drawing nearer to Middle Eastern countries that are considered more moderate.

But, he said, Jordan sided fully with Mr. Arafat's rejection of the Reagan plan and backed Palestinian sovereignty. And, despite Mr. Arafat's meeting in December with President Hosni Mubarak of Egypt, Mr. Hassan said it was too early to speak of a resumption of the close relationship that the Palestinians repudiated after President Anwar Sadat signed the Camp David agreement with Israel.

"But Mubarak is not Sadat," Mr. Hassan continued, calling the

linkage of human rights to increased military aid. Both include as a basic requirement the necessity for the Salvadoran military to be able to "carry out U.S.-style counterinsurgency."

Once the army reaches that level of competence, with U.S. aid, the first option calls for the monitoring of human rights compliance through individual Salvadoran Army units, cutting off violating units from access to U.S. arms.

The second, more stringent, option, proposed by William P. Clements Jr., a commission member who is a former Republican governor of Texas, calls for "strict conditions" to be enforced on U.S. aid, but not until the aid reaches recommended levels.

Under this option, the United States would be obligated to commit itself to a fixed period of uninterrupted aid — two years, the draft suggests — with the government of El Salvador obligated within the same period "to put an end to human rights abuses."

The draft chapter makes no mention of specific amounts in provision of equipment and supplies to make possible a consistent war effort.

Improved medical evacuation ability to reduce the fatality rate.

Funds to permit the Salvadoran Army to retain trained personnel for additional tours of duty.

There might be an argument for doing nothing to help the government of El Salvador, the commission argues. "There might be an argument for doing a great deal more. But what there is no logical argument for is giving some aid but not enough. The worst possible thing for El Salvador would be to provide just enough aid to keep the war going, but too little to wage it successfully."

The commission deals cautiously with the linkage between military aid and human rights. In November, President Reagan provoked a congressional outcry by vetoing legislation that would have retained the conditions on U.S. military aid to El Salvador, requiring a certification of progress there in human rights, democratization and land redistribution.

In its draft, the commission proposes two options for dealing with



A BUDDHIST OFFERING — A Thai woman lit a candle during prayers at a monastery in Bangkok where she joined thousands of other women for a spiritual retreat over the weekend. Participants in the ritual are regarded as "temporary nuns."

AMEI

Coffee Ads on Brew Up a Storm

A new wave of coffee advertisements is brewing a storm in the United States. The ads, which are being run by the National Coffee Association, are being criticized by some people who say they are too commercial and too expensive.

The ads are being run in a number of places, including on television, in newspapers, and in magazines. They are being criticized by some people who say they are too commercial and too expensive.

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Herald Tribune

Published With The New York Times and The Washington Post

Lebanon: Signs of Hope

It is characteristic that even as a break appears in the clouds over Lebanon, new shooting and new political conflict occur, with the result that the modest gains are threatened. Lebanon's history of heartbreak is a standing warning against unwarranted optimism. Still, some intriguing signs are evident.

President Amin Gemayel is promoting a security plan whose promise is to expand the army and police beyond the current narrow Beirut circumference into areas of the country not controlled by foreign occupiers. A related effort — necessarily related, because the government cannot extend its authority without broadening its base — is being made to resume the talks on an internal political settlement that started and stalled two months ago.

If it is too early to foresee the fate of these two enterprises, it is possible to see why they are coming about now. Just as the deployment of the multinational force steadied the Gemayel government and encouraged it to start striving for national reconciliation, so that force's move toward the exit door has stirred the government to an extra internal effort.

The Syrians seem to be in a mood to convert the military pressures they have applied and sponsored for the last few months into something of political value. They signaled this by sending home the downed American pilot with Jesse Jackson. The United States responded promptly by removing one of its carriers from the sea off Lebanon. On their part, the Israelis, who are sadder and wiser for the failure of their previous attempts to manipulate Lebanese politics, are increasingly of a mind to let a made-in-Lebanon compromise take shape.

The value for its own sake of movement

toward a better security situation and a Lebanese political settlement needs no embellishing. Such movement could also leave the U.S. Marines and the other MNF forces safer, and thereby reduce the political pressure for their precipitate removal. It could end and perhaps reverse the escalation that last month produced the first-ever combat between American and Arab forces. We do not say that all these results have now come clearly into view. Almost any progress toward them, however, would be a blessing — and a relief and a political boon to Ronald Reagan.

Lebanon's third major need, after internal security and a political settlement, is the withdrawal of all foreign forces. That is the key to restoration of territorial integrity and sovereign pride. Is this dreaming? The casualties that fuel Israel's drive to get out continue, and so do the reprisals that lead to further casualties. Another sliding Israeli redeployment, this time with provisions for filling the resultant vacuum, is in the works. Damascus insists that with withdrawal of the multinational force and Israel's remaining forces, it would remove its troops, too. Its capacity to guide events in Lebanon without a direct military hand lends some credence to this position.

In the best of circumstances Lebanon will face injuries and insults that no nation with a choice would countenance. Its point of reference, however, is not Swiss-style tranquility but the savagery and indignity that have dogged its national life almost without cease since the mid-1970s. Maybe there is no salvation here, but it is surely worth pursuing the few signs of hope that have appeared.

—THE WASHINGTON POST.

Discipline in the Schools

President Reagan wants to restore "good old-fashioned discipline" in schools. Fine. That is an important issue, and it is good to hear the president sound an alarm. But in the process he distorts his education priorities and wrongly inflates what should be a matter of quintessential local concern. What is the man who wants to get national government off local backs doing with the ruler in his hand?

The sometimes terrifying violence that afflicted some schools in the 1960s and early '70s has waned. Still, discipline is a serious problem that teachers cite as one of their main concerns. The widely desired excellence to education cannot flourish unless troublemakers are kept from disrupting classrooms.

But Mr. Reagan's approach fails in two respects: how to alleviate the problem, and who should be responsible. Getting tough with troublemakers sounds good but misses at least half the point. What the administration has done so far makes the other half worse.

Suspension and expulsion should be reserved for students guilty of crimes, including violence. For lesser offenses it is far preferable to find disciplinary measures that keep trouble-

making students in school. It will not discipline a youngster to push him into a world of almost certain unemployment and crime.

Many in-school efforts succeed. These stress parental involvement and counseling for disruptive students. But many in-school programs have suffered because of Reagan budget cuts. The Emergency School Aid Act provided some help for such programs, but it disappeared in 1981 into a black grant funded at only 85 percent of the previous level. Such efforts should be encouraged, not abandoned.

The administration has been particularly myopic about minority groups. They are twice as likely as whites to be victimized by school crime, but they are also twice as likely to be suspended from school. What is the concern about unemployment for black youth?

Other measures that can restore discipline, like reducing class size or hiring more guidance counselors, are costly. However, when it comes to education President Reagan is generous only with words. School discipline is mainly for school districts and parents to solve. They need help, not more moralism.

—THE NEW YORK TIMES.

Other Opinion

Interpreting Nigeria's Troubles

The good news is that General Mohammed Buhari, a Hausa from the Moslem north, is a serious, old-fashioned soldier with government experience. Nor does the Dec. 31 coup seem to be rooted in tribal grievances. It was a move by predominantly northern people against a predominantly southern government.

The bad news is that democratic institutions are expendable. The constitution has been suspended. Nigeria's boisterous press, the freest in Africa, will surely be the next victim.

There are no easy solutions to Nigeria's problems, and Nigerians are notoriously impatient people. Coups breed coups. It is no coincidence that Murtala Mohammed, the one military leader since Nigeria became independent who attained heroic status, died by an assassin's bullet in 1976 after only seven months in power. His killer was a soldier.

—John de St. Jorre, author of "The Brothers' War: Biafra and Nigeria," writing in *The New York Times*.

Foreign correspondents continue to present their audience with a primitive image of democratic understanding in Nigeria. Discredited, rejected, even loathed by the majority of Nigerians, the National Party of Nigeria, buoyed by the image-building in the Western press of its leader, Shehu Shagari, went confidently ahead in the 1983 elections to commit the most breathtaking electoral fraud. The scale of the robbery was unprecedented.

A civil war has been set in motion by Shehu Shagari and the hierarchy of the NPN. The preliminary skirmishes should be recognized for what they are — mere skirmishes.

—Wole Soyinka, Nigerian author and professor of literature at the University of Ife, writing in *The Guardian* (London).

FROM OUR JAN. 9 PAGES, 75 AND 50 YEARS AGO

1909: Turks Join American Fleet

PARIS — The news that thirty-two Turkish naval officers will be placed on board the vessels of the American battleship fleet during its sojourn in Mediterranean waters shows that a change has come over the Ottoman Empire. For years past the Turkish navy existed only on paper. The formidable looking ironclads which swung at their moorings with seaweed hanging yards long from their bottoms, without crews and with the few guns on board eaten up with rust, were useless as military units. But with the renaissance of the national spirit, the desire has come to develop naval resources. The new Turkish Minister of Marine has been well inspired in placing his officers on board the American vessels.

1934: Is It Just a Loch Ness Squid?

NEW YORK — The Loch Ness monster has excited the comment of Dr. Raymond Lee Dittmars, curator of reptiles at the Zoological Park here. "The simple souls of Scotland," he declared, "might have been deceived by the appearance of a giant squid, 50 feet long, with tentacles that wave and swell and knot themselves into astonishing shapes above the sea. These might give the appearance of a serpentine head such as has deluded many worthy ships' captains into believing that they have seen the sea-serpent." Referring to the description of the monster, Dr. Dittmars said: "Millions of years ago some creature might just have looked like that, with a round, barrelled body, elongated neck and flippers."



'People Protection,' Star Warriors Call It

By Flora Lewis

PARIS — A little-noticed bill before the U.S. Congress holds the seeds of a military commitment that could be as momentous for the fate of the United States and the world as creation of the vast nuclear arsenal.

It is presented in demagogic language of utter cynicism. Sponsored by Senator Bill Armstrong and Representative Ken Kassebaum, Republicans of Colorado, it carries the incredible name of "People Protection Act." No money is involved at this stage, so it is not setting off appropriate alarm bells among Pentagon-watchers.

There are five major provisions:

- Turn the new Air Force Space Command into a space command for all armed forces.
- Create an Army Space Command under it for ground-based space weapons.
- Establish an agency for directed-energy weapons — lasers, microwaves, particle beams.
- Take military missions of the space shuttle away from NASA's responsibility and put them under exclusive Pentagon control.
- Order NASA to launch a manned space station as soon as possible.

This sounds like a mere bureaucratic shuffle, but the implications are enormous. It is revealing that the navy is not mentioned. That is evidently because there is a direct conflict between the navy's requirements in space and the ambitions of the Air Force Space Command.

The navy depends on satellites for its strategic missions; they are needed for navigation, communication and guidance of submarine-launched missiles. So the navy has to worry about development of anti-satellite weapons and space-based weapons that would render it blind and deaf.

The Air Force Space Command, on the contrary, seeks a panoply of arms in space. It believes war in space is inevitable, fighting in space will be "the decisive form of military power" and the United States will win if it hedges.

This argument is not about defense but offense. The aim, candidly stated by Air Force Space Command planners, is to restore "pre-storm notions of military superiority," to "make conflict at the upper levels of military violence [outrageous] again thinkable." They say this would be an "invigorating turn of events for the spiritual vitality of the Western democracies."

The bill would give the people who hold this Strangelovian view a strong bureaucratic base and vested interests from which to dominate future lobbying for the hundreds of billions of dollars that their plans would require.

This is really a first, deliberate step to Star Wars, and that is why the planners are so keen on a manned space station. They are not satisfied with the idea of robots and computers up there. They want to send people to fight.

Of course none of this is mentioned to public. On the contrary, Representative Kramer calls his proposed legislation a "Manhattan Project for peace." He offers it in support of President Reagan's call to develop a space-based defense against missiles as the magic formula to end the nuclear menace. "Isn't it time we stopped holding the American people hostage to the threat of nuclear war?" Mr. Kramer said in committee testimony. "Unless we are willing to accept the prospect of a nuclear Pearl Harbor from space, we must now join the president in a new national commitment to mutually assured protection."

To begin with, there are the gravest scientific doubts that 20 years and astronomical sums could achieve such a defense system. If it could, no reputable scientist, even among those who want to try, claims that it would be complete. One percent of present arsenals would be enough to destroy America and the Soviet Union.

Even if the system were complete, it could not stop missiles, bombers, suicidal trucks and other ways of delivering atomic death. Further, foiling the defense system would be 10 times easier and many more times cheaper. Meanwhile there would surely be another spurt in the missile race to overwhelm the possibility of defenses.

Not is there the slightest sign that the goal of "mutually assured protection" means what it says. It would have to mean making sure that other nuclear powers — the Russians, and also the British, French, Chinese and anybody else who brandishes atomic arms — shared defense technology as it is developed. That is the opposite of the Air Force Space Command's idea.

It is cruel to create the illusion that this way lies deliverance from nuclear terror. And it is harmful to the cohesion of American society, for already some people are beginning to charge disloyalty and even treason against scientists who express honest, reasoned opposition.

There has been no U.S. response to last summer's Soviet suggestion of negotiating a ban on military force in space. Former Secretary of State Dean Rusk has called for a ban on a space arms race. Former President Richard Nixon has urged sharing military space research with Moscow.

There is little time left to block the new licensing. The Kramer-Armstrong bill would leave even less time. "People Protection Act" is the siren's euphemism for space war.

The New York Times.

Whose Side Is the General On?

By L.F. Stone

WASHINGTON — If this is the year that United States troops go into El Salvador, will the Reagan administration keep the news media away, as it did in Grenada? It doesn't take a key to the secret war plans locker at the Pentagon to know that the most hushy dream of the Joint Chiefs is an antiseptic surgical strike with no television cameras or reporters swooping around until the triumphal march up Pennsylvania Avenue.

Those who read General Maxwell D. Taylor's "Swords and Plowshares" (1972) remember that he thought the Vietnam War could have been won if only the media could have been kept away. So it was not surprising to learn from an interview with him published last week that this is still his answer when asked how future wars can be won.

This animus against the media goes beyond the battlefield. In his book the general blamed the press for "a campaign of defamation" against "the presidency, the Congress, the courts, the church and business." We could repeat the First Amendment. General Taylor's is the third voice in recent weeks to treat the media as the enemy. This sinister new chorus began when Secretary of State George Shultz observed, in connection with Grenada, that reporters had gone along with the troops in World War II because on those days the media were on "our side."

Then the American Broadcasting

Company's feisty Sam Donaldson challenged Ronald Reagan to explain just what "our side" meant, at the president's press conference on Dec. 20. Mr. Reagan replied that, starting with the Korean War and "certainly in Vietnam, the media were no longer on 'our side, militarily.'"

No one can shoot poisoned arrows more amiably than Mr. Reagan. He has a genius for the subliminal stab. The victim often doesn't realize what he has been hit. This was in effect saying that if the media are not "on our side, militarily," why should they be allowed to go along with the troops? The phrasing implies treason.

Now, the truth about those "limited wars" is that they were fought against an enemy too far away and too small to qualify as a real threat to U.S. national security. That is why in either case did presidents dare ask Congress for declarations of war. The wars just didn't make sense to people back home. Indeed, two presidential elections were won — both by Republicans — on a promise (Dwight Eisenhower in 1952, Richard Nixon in 1972) to end them.

The media were, at first, too gung ho in both wars. They did not foment the disenchantment on the home front. They lagged behind it.

Winston Churchill did not rally Britain in its most frightening hour with phony press releases but with

the bitter, invigorating truth — the kind the media are often criticized for supplying. The best way to undermine morale in a war is to let the public sense that it is being fed phony.

Now here is General Taylor adding a new dimension to the drive for an war zones. "I believe strongly," he said, "that people have a right to know what their forces are doing, but not today, not tomorrow, but at the appropriate time."

The general did not explain what would be the appropriate time. But he made clear that he wanted the story not only delayed but wrapped up with appropriate packaging. The people, he implied, would not know what to do with the unadorned truth. This is what the general said: "If they [the people] get the information

Cubans Were Told More

ON Oct. 27, a senior administration official told reporters that there were 1,150 armed Cubans on Grenada and there had been no civilian casualties. On the same day the controlled press in Cuba accurately reported that the Cuban contingent numbered 750 and there had been civilian casualties.

It is an irony of this anti-communist administration that the Grenada affair was one of the few instances in history when citizens of a communist state knew more about what was going on than Americans did. Even so, later, officials confirmed the Cuban numbers and admitted that civilians had been killed at an accidentally bombed mental hospital.

Perhaps someone who cares about Mr. Reagan should remind him that he once spoke out on the record in favor of freedom of the press, and deplored information-control practices in other administrations that were less onerous than his own.

—Los Angeles, writing in *The Washington Post*.

In a block, they might well know what to do with it, but when they get it piecemeal, there's just confusion."

So, the general was asked, "Who, precisely, decides the right time for the press to make its report?" And the general replied: "It should be the president of the United States, directly or indirectly..."

The president, then, is to decide when and what to disclose about what happens on the battlefield. The general summed up his new constitutional doctrine in one succinct phrase: "He gets paid for that."

The president gets paid to be the nation's super cop, editor? How Ronald Reagan would love the photo opportunity to appear gaining victory as Commander in Chief of the Media, with a five-star epaulettes.

Yet, to Cuba last Thursday President Ronald Reagan broadcast on the virtues of a free press. Is Jeffersonianism for export only?

The writer has covered Washington for 44 years. He contributed this comment to *The New York Times*.

The Kremlin, Too, Is to Blame for Frigid East-West Relations

By Dimitri K. Simes

WASHINGTON — The Kremlin appears to be in no mood to make a serious effort to accommodate the United States.

Many Americans find it tempting to blame the Reagan administration for the crisis of the superpowers relations. The president and his top advisers have surely engaged in some unnecessary and reckless provocations. Yet the Kremlin's defiant attitude cannot be explained solely by Mr. Reagan's actions. There are profound political and psychological reasons — many of them totally unconnected with anything the United States has done or said — why the Soviet establishment is ill-prepared to seek a genuine thaw.

The nasty mood in Moscow is rooted in a general climate of extreme anxiety and anger. That climate favors heavy-handed posturing both at home and abroad, and the United States serves as a convenient villain, deflecting the resentful disillusion of the Soviet people.

At the end of Leonid Brezhnev's rule the Soviet establishment had even less to cheer about, but there was hope then that the gloomy state of affairs would not last long. It was thought that new leadership would reverse many trends unfavorable to the Kremlin, that new blood at the top would mean new policies and new life for the aging Soviet system. That hope is now gone.

Shortly after Yuri Andropov became the general secretary, a Soviet official who is an old friend of mine was asked to send me a letter. He was full of enthusiasm. The new Soviet leader was sophisticated, decisive, even humane. He would understand the need to restructure the economy.

His ascent to power would open unique opportunities to improve the U.S.-Soviet relationship. It was important for the United States not to miss the chance, my friend advised.

My friend is no liberal. He insisted that the Russian people lacked a sense of responsibility and therefore needed the whip of harsh discipline. He was also proud of Moscow's superpower status and argued that it was crucial for the Soviet Union to cut Ronald Reagan down to size.

But this official and many others like him were aware that a whip alone would not be enough to resolve the complex domestic problems of an industrial society. In foreign policy, they realized that constant displays of arrogant heavy-handedness could do more harm than good.

Many such people in the second

level of Soviet leadership expected that the government's emphasis on tough internal discipline would be coupled with far-reaching decentralization of the economy. They anticipated that standing up to the U.S. challenge would be accompanied by an imaginative international strategy to outmaneuver Mr. Reagan and then bring him to the bargaining table on terms favorable to Moscow.

That optimism was clearly misplaced. The modest economic experiments planned for this year will not make up for the lack of fundamental reform. In foreign affairs, Moscow is facing stalemate all around: The war in Afghanistan continues; negotiations with China are stalled; in the Middle East, despite all their aid to Syria, the Russians have little leverage over Damascus. Nor have Soviet designs to split America from Western Europe met with success. The Communist political machinery is once again failing to deliver — and the Soviet elite is well aware of it.

Significantly, the Russians no longer claim that an international "correlation of forces" is changing in their favor. On occasion they even admit that the decline in the Soviet Union's international appeal is rooted

in doubts about the Soviet model of economic development. It is this sense of vulnerability mixed with anger that colors the Soviet response to the Reagan administration.

At this moment of transition, then, the Soviet Union represents neither a terrible danger nor an exciting diplomatic opportunity for America. The Soviet ruling group feels overextended and unprepared by the rest of the world. Facing a United States cybersat-to-cybersat is the last thing on the Kremlin's mind, unless escalation and miscalculation push it further into a corner. Nor, however, does the Soviet leadership seem committed to seeking a peaceful engagement with Washington. From Moscow's point of view, the best way to deal with the United States today is stonewalling rather than accommodation.

Secretary of State George Shultz and Soviet Foreign Minister Andrei Gromyko are expected to talk in Stockholm on Jan. 18. They may politely smile at each other, but the cybersat-to-cybersat is the last thing on the Kremlin's mind, unless escalation and miscalculation push it further into a corner. Nor, however, does the Soviet leadership seem committed to seeking a peaceful engagement with Washington. From Moscow's point of view, the best way to deal with the United States today is stonewalling rather than accommodation.

Some modern leaders and intellectuals have faced this challenge with courage. Today, however, the liberal minority in most Moscow countries feels overwhelmed by the rise of fundamentalism and by a tendency to justify traditional attitudes rather than prepare reform and change.

—The writer is a senior associate at the Carnegie Endowment for International Peace. He contributed this comment to *The New York Times*.

Building an Image of Incompetence

By William Pfaltz

PARIS — In Harry Truman's private papers there is a note to himself which reads, "I wonder how far Moses would have gone if he'd taken a poll of Egypt? What would Jesus Christ have preached if he'd taken a poll of Israel?"

"Isn't polls or public opinion of the moment that counts?" Truman concluded. "It's right and wrong."

The determination to do what was right is the reason why Truman enjoys respect today that he did not receive in his time — when he only narrowly won the 1948 election and would almost certainly have been defeated had he opposed Dwight Eisenhower in 1952. His willingness to do the unpopular thing has earned him a major place among the presidents of this century.

President Ronald Reagan would dearly like to earn the same reputation for principled action. But he suffers two grave disabilities.

The first is that the whole apparatus of the presidency has evolved in a way that makes it very difficult to act against the polls. Since at least the Nixon years, public relations professionals have occupied key White House positions and there is extreme institutional pressure within every administration to preserve the popularity of the president at virtually any cost.

The second disability is that Mr. Reagan had no coherent vision of where he wanted to go in foreign policy. In this respect he is a man of his times. Under Jimmy Carter and Ronald Reagan, the United States found itself with leaders whose ambition was to make it appear in a certain way, above all to make it appear in a reassuring and flattering way to Americans themselves.

Thus image-making and policy-making became dangerously confused. Mr. Carter assured Americans that there was a good nation and that there was a good people. This was a genuine goal, but in practice the policies of the Carter administration, exactly because they had no hard objective other than to make Americans feel better about themselves, ended in setbacks that made Americans feel a great deal worse.

Ronald Reagan responded by promising Americans that their nation was not only good but strong. Here was another American self-made image, that of a masterful protector of the weak, enemy of totalitarianism. It was a welcome one, even when, in the case of Grenada, its realization was a trifle bogus.

The danger was that image-defined policy: Action was taken after the fact to justify commitments assumed for the sake of the image thereby projected. A commitment of U.S. Marines to Lebanon was "strong." But what were they to do when they were there? To the American public, it was their presence that became the problem.

The Reagan administration had become newly involved in the Middle East on terms, and with a lack of safeguards, that do earlier American government had been willing to accept. Wishing to convey an image of decisiveness and strength, the government has hesitated over two possible but unpromising courses — to try to impose the Gemayel government upon its Lebanese opponents, and in alliance with Israel to try to drive the Syrians out of the

country. Its serious choice became whether or not to withdraw.

The Central American involvement courts the same outcome. Meant to be the conservatives' counter-Vietnam, a demonstration that the United States does not have to lose Third World battles, the involvement was undertaken with little regard for conditions in the region. What followed could not sustain an image of strength, competence, getting-the-job-done.

The substitution of image-making for policy has bedeviled relations with the Soviet Union, providing words, stances, condemnations that take little regard for the actual effect upon Moscow and the Western alliance. Thus have we entered the New Year with virtually all lines down to the Soviet Union, and the alliance in difficulty.

The United States, in its international relations, has become the victim of its preoccupation with image and its neglect of reality. The fleet is deployed in Central America and Eastern Mediterranean waters to provide "shows" of force. There is little behind the show but to pacify Lebanon, remove the Syrians there, change the policies of the Nicaraguan government or assure the survival of the present government of El Salvador.

Invading armies might do those things, or make an expensive try, but invasion is not in the cards. Withdrawal with nothing achieved is what is in the cards. The image actually becomes one of incompetence, ineffective weakness. It is not what Mr. Reagan had in mind.

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LETTERS TO THE EDITOR

Most Are Not Pacifists

Why do contributors to the International Herald Tribune continually misuse the term "pacifist" when discussing opposition to new nuclear weapons, especially in Europe? Pacifists oppose all arms. Most Europeans who object to current nuclear strategies are not pacifists.

Polls indicate that most West Europeans believe current NATO and Warsaw Pact policies are making nuclear war more likely. To label this enormous constituency as "pacifist" is to obscure the whole discussion about alternative systems of defense.

CARLA M. WARTENBERG, London.

Jihad or Cohabitation

Fundamentalism is spreading in the Moslem world, with jihad as its rallying cry. Ayatollah Khomeini has defined jihad as meaning the conquest of non-Moslem territories and

Gold to the Rescue?

All four opinion articles on your editorial page of Dec. 17 contained economic issues. John Kenneth Galbraith, Robert J. Samuelson and Herbert A. Gold all lamented the U.S. budget and trade deficits. The lone dissenter is Evan G. Galbraith, a U.S. ambassador, to be sure, but also a former banker who knows something about business psychology. He argues that the U.S. economic weakness

is everywhere the same, with his hopes and sufferings.

Some modern leaders and intellectuals have faced this challenge with courage. Today, however, the liberal minority in most Moscow countries feels overwhelmed by the rise of fundamentalism and by a tendency to justify traditional attitudes rather than prepare reform and change.

RAT YEOR, Geneva.

The U.S. Treasury should convert dollars into gold and use the gold to pay the huge interest on government debt. At such a low return, it would be prudent for the government to pay the gold interest on the debt — a gold interest — rather than a cash interest — catch on.

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China Courts Emigrants For Funds, Know-How

Beijing Looks to Chinese Who Left To Assist Modernization Campaign

By Christopher S. Wren
New York Times Service

XIAMEN, China — A bronze statue of Chen Jiageng, with his Panama hat and cane, was unveiled in great ceremony some months ago in this southeastern port city. Mr. Chen started no revolution, led no armies, wrote no masterpieces. He is revered because he left China and made a lot of money.

Mr. Chen, known overseas as Tan Kah-kee, emigrated from Xiamen, which at the time was called Amoy, in 1900 and made a fortune as a rubber magnate in Singapore. Before his death in 1961, he had sent home enough money to endow a university and scores of secondary and primary schools. He was, in short, the kind of model emigrant that China is looking for today.

Twenty million ethnic Chinese, by Beijing's estimate, live overseas. A big map in Xiamen's Overseas Chinese Museum pinpoints their whereabouts — 4.5 million in Thailand, 4.2 million in Malaysia, a million in the United States, down to 10 in Paraguay and 10 in Iraq.

Such emigrants, though they left China generations ago, are considered a potential source of capital and technological talent that the Chinese leadership hopes to tap for its modernization drive. The result is a campaign to court the affections of the *huagiao*, a term for overseas Chinese that means "bridges to China."

Chen Fidan, a senior official of the Communist Party Secretariat, recently told the Zhongguo Dang, or Public Interest Party, an organization of returned Chinese, that the unity of the *huagiao* with relatives at home contributed to

China's modernization and reunification. Mr. Chen thanked the organization for helping attract \$56 million worth of projects by overseas Chinese.

Xiamen says it is the roots for 200,000 overseas Chinese, who live mostly in Southeast Asia. Wang Chunlin, director of Xiamen's Office of Overseas Chinese Affairs, said one out of six in Xiamen's population of 960,000 had overseas relatives who sometimes sent back cash or luxury goods.

With China's opening to the West and two overnight ferries a week now operating from Hong Kong, more overseas Chinese have come back to visit Xiamen. Mr. Wang said such tourists had increased from 20,000 in 1980 to 50,000 this year.

"The *huagiao* are Chinese, so their hope for the motherland's prosperity is strong," Mr. Wang said. "It's understandable for them to return to see what is happening in their homeland."

For such returning sons and daughters, China has a scale of hospitality. At the lowest level are 270,000 Indochinese refugees, who have been recruited mostly as laborers on state farms with little prospect of returning former lives as traders or shopkeepers.

Higher on the scale are "compatriots" from Hong Kong, Macao or Taiwan, who are not considered real *huagiao* because they live in territories that China intends to recover. The warmest greetings are reserved for the most successful emigrants, such as American scientists and wealthy Hong Kong businessmen.

The irony of the red-carpet treatment for some of those who fled the

Communist takeover in 1949 has not been lost on Chinese who remained.

"These people ran away on the eve of liberation and come back as honored guests," a Beijing intellectual said. "They ride in a Red Flag limousine and are greeted by Deng Xiaoping himself at the Great Hall of the People. They are even invited to give lectures."

The return was tougher for emi-

grants who moved back after 1949 to help build a new China, only to be abused and persecuted as spies and traitors during the Cultural Revolution.

Mr. Wang, who lived for 15 years in the Philippines before coming home in 1953, said he, too, had suffered xenophobia.

"When I was struggled against, I felt that I was framed and that it was unfair," he said. "But I also felt

that sooner or later, this problem would be solved."

The Chinese government has tried to remedy the abuses. Article 50 of the new constitution "protects the legitimate rights and interests" of overseas Chinese. The government last April ordered preferential treatment for returned *huagiao* in employment, education and housing, where discrimination persists.

The Chinese government has

said that a million have come back to live since 1949.

By wooing overseas Chinese, China insists it is not trying to subvert their loyalty.

"We encourage them to make a contribution to their new country but also keep up ties with relatives in the motherland," Mr. Wang said. "We also want them to promote contacts between China and the foreign countries where they live."



A statue honors Chen Jiageng's contribution to China after he made a fortune in Singapore. Centers to greet modern-day expatriates carry signs such as the one at left. It reads: "Pingtan County Taiwan Compatriots' Reception Center."

Egyptian Political Party Resurfaces After Court Rejects Official Ban

By Judith Miller
New York Times Service

CAIRO — After more than 30 years of single-party dominance, officials here say a genuine political opposition is beginning to emerge.

Two developments last week altered Egypt's political landscape and could pose a challenge to President Hosni Mubarak and his National Democratic Party, Western and Egyptian analysts say.

A high-level Egyptian court last Monday rejected government efforts to block the reformation of the New Wafd Party, once the most popular and powerful political group in Egypt.

Two days later, the leftist National Progressive Unionist Party defeated the ruling party in a runoff election for parliament in a district of Alexandria.

The closeness of the contest and official announcement of an extremely low voter turnout, about 10 percent, led analysts to conclude that President Mubarak may intend to honor a pledge for impartial parliamentary elections scheduled for May.

Prospects for the New Wafd and four other opposition parties would be enhanced by free and honest elections, which are rare in Egypt.

Analysts said honest elections would particularly benefit the New Wafd, whose rebirth was widely regarded as among the most significant developments in some time.

The right-of-center Wafd has traditionally opposed socialism, favored free enterprise and attracted a nationwide following, from intellectuals to small landowners and peasants.

The Wafd has yet to articulate many domestic or foreign policy goals. But analysts said it could have broad-based political appeal.

Some predicted it could even pose a popular alternative to Mr. Mubarak's National Democratic Party.

Formed in 1918, the Wafd, which means "delegation," spearheaded Egypt's movement for independence from Britain. After a 1923 treaty that made Egypt virtually independent, the party was elected to power on several occasions, most recently in 1950.

President Gamal Abdel Nasser banned the Wafd and other political parties in January 1953, a year after he and other officers overthrew King Farouk.

When President Anwar Sadat opened the way for a new multiparty system in 1976, he stressed that no old parties could be revived. So the Wafd filed for legal recognition as the New Wafd.

In fact, the party was led by many of the same people, including Foad Serageldin, 75, the party's current leader, who served as interior minister before the monarchy was overthrown.

But Sadat became angered by the New Wafd's harsh criticism of his policies, including the Camp David peace accords with Israel.

In 1978, Sadat banned political activity by people alleged to have "corrupted" political life before the 1952 revolution. The law would have purged at least three top party officials, including Mr. Serageldin. Rather than submit to the restrictions, the Wafd dissolved itself.

When the party tried to reconsi-

rate itself last fall, the government protested, saying it had to register again as a new political entity, a lengthy process that would have precluded participation in the parliamentary elections next spring.

A lower court ruled in favor of the Wafd, but the government appealed. The higher court's ruling removes the last legal obstacle to the Wafd's participation in the elections.

Nevertheless, it and other opposition parties face an uphill battle because of a law enacted last summer at Mr. Mubarak's behest. It requires parties to gain 8 percent of the vote nationwide to secure representation in the People's Assembly. Analysts predict that the law is likely to deny seats to at least two opposition parties.

Mr. Mubarak's party controls 302 of the 392 seats in the People's Assembly.

Serious opposition parties are rare in the Arab world. Mr. Mubarak has often said he supports "responsible" opposition and free elections.

But critics say his 8-percent rule, the court challenge to the Wafd and his extension of emergency laws giving the government broad authority to limit political activity raise questions about the depth of his commitment to democracy.

Cambodia Marks Its 5th Year of Pro-Hanoi Rule

Reuters

PHNOM PENH — Seven thousand Cambodians, monks and civilians marched through central Phnom Penh to mark the fifth anniversary of President Heng Samrin's pro-Vietnamese government.

Mr. Heng Samrin, whose government replaced the Khmer Rouge in 1979 with Vietnamese military assistance, said during a rally Saturday that the situation in Cambodia was irreversible.

But he acknowledged at the rally, attended by officials from Vietnam, Laos and the Soviet Union, that guerrilla activities of the anti-Vietnamese rebel coalition still hampered his administration's reconstruction efforts.

That coalition comprises forces loyal to the former head of state, Prince Norodom Sihanouk, to his former prime minister, Son Sann, and to the Khmer Rouge. The forces operate mainly from bases along the Thai-Cambodian border.

Mr. Heng Samrin said that "complication" was all but inevitable in "the struggle by our people against the enemy's war of systematic destruction, and our national reconstruction." But he said that his government would prevail.

United Press International

ISLAMABAD, Pakistan — Police seeking to prevent a breakout from a jail in Sukkur, 600 miles (970 kilometers) south of Islamabad, fired on rioting inmates, killing one and wounding five on Friday, officials said Saturday.

U.S. Would Give Hospitals More Say On Care of Babies With Birth Defects

By Gerald M. Boyd
New York Times Service

WASHINGTON — The Reagan administration will announce new regulations Monday for the treatment of newborn infants with severe birth defects who are in hospitals that receive federal funds, administration officials say.

The regulations would soften the administration's previous position

that, despite what parents might want, food and medical care should be given to severely handicapped infants.

The government has gone to court seeking the medical records of a baby born recently with multiple birth defects, saying that it wanted the records to determine whether the baby's civil rights as a handicapped person have been violated. The parents of the infant, known as "Baby Jane Doe," have refused to approve life-extending surgery for their daughter, who would remain severely retarded despite medical intervention.

Although it is unclear whether the White House has approved the compromise regulations, the changes were reviewed by the Office of Management and Budget, which said that it did not find major problems with them.

The most far-reaching concession by the administration would be to have infant review committees established voluntarily in hospitals that do not have them and to have these committees assess serious cases.

The administration would end its requirement that hospitals with such review committees, post in public view, a toll-free number for staff members to call in cases in which food or treatment were denied patients, the aides said.

Dr. Harry Jenkinson, executive director of the American Academy of Pediatrics, said he expected the administration to adopt his group's recommendations that such committees be made up of such non-medical representatives as lawyers, community representatives and clergymen.

Link Between Leukemia, Nevada A-Tests Disputed

By Philip M. Boffey
New York Times Service

WASHINGTON — Three experts at the National Cancer Institute say that evidence to link childhood leukemia deaths in southern Utah with fallout from atomic bomb tests in Nevada is "slight or nonexistent."

Despite a previous study suggesting the contrary, the experts said, the leukemia mortality rate among the children was essentially normal both at the time and after the tests were held in the 1950s.

The new report, which appears

in the current issue of the journal *Science*, reiterates data presented by the federal government in a lawsuit in which 1,200 area residents are seeking compensation for damage allegedly caused by fallout from the tests. A decision has not been reached.

The article was written by Charles E. Land, Frank W. McKay and Stella G. Machado, government statisticians working on cancer epidemiology, the science of analyzing cancer rates and inferring probable causes from them.

In an analysis of national cancer statistics, the experts reached conclusions opposite from those of a study heavily cited by those suing the government.

The previous study, published in *The New England Journal of Medicine* in 1975, was conducted by Joseph L. Lyon, an epidemiologist at the University of Utah. He testified for the plaintiffs in the case.

Dr. Lyon contended in his study that childhood leukemia deaths jumped sharply in southern Utah from 1951 to 1958, when nuclear weapons were tested above ground in neighboring Nevada.

The new study concludes that the leukemia death rate in southern Utah during and after the testing were actually normal and that it was an abnormally low leukemia death rate in the 1940s that made the rates of the testing period appear high.

From 1944 to 1949, there were only three childhood leukemia deaths recorded in all 17 counties of southern Utah. The statisticians speculate that the rural southern area was then so short of doctors that many leukemia deaths were misdiagnosed and attributed to other causes.

Saudi Visits Cairo And Praises Egypt

The Associated Press

CAIRO — Prince Talal bin Abdul Aziz of Saudi Arabia, half-brother of King Fahd, has arrived in Egypt on the first high-level visit by a Saudi Arabian in six years. He called Egypt a "leader among nations" and the "heart of Pan-Arabism."

The prince, who arrived in Cairo on Saturday as an envoy of the United Nations Children's Fund, planned to meet with President Hosni Mubarak during his five-day visit. Diplomatic sources described his trip as a step toward reconciliation between Egypt and the Arab world.

President Anwar Sadat's trip to Jerusalem in November 1977 and Egypt's 1979 peace treaty with Israel led to the severing of diplomatic ties between Egypt and other Arab states. Relations have improved since Mr. Mubarak became president in October 1981 after the Sadat assassination.

Howe Is in Egypt For Mideast Talks

Reuters

CAIRO — Britain's foreign secretary, Sir Geoffrey Howe, arrived Sunday to start a five-day tour to Egypt, Saudi Arabia and Syria. It is his first visit to the Middle East since taking office in June.

The Foreign Office said Saturday in London that Sir Geoffrey would discuss Lebanon, prospects for Middle East peace and the war between Iran and Iraq.

Officials said Britain felt it was time to determine whether progress could be made toward withdrawing its 100-man force from Lebanon.

Alfred Kastler Dies; Won Nobel For Laser Studies

Compiled by Our Staff From Dispatches

PARIS — Alfred Kastler, 81, the French physicist whose Nobel prize-winning research helped set the stage for invention of the laser, died Saturday at Bandol, on the French Riviera, according to an announcement by his family. The cause of death was not specified.

Mr. Kastler's contribution that bore directly on subsequent development of the laser was the discovery of the use of light waves to elevate the energy levels of atoms to specific, unstable states. When stimulated by light at a proper wavelength, they cascade down to a lower state, emitting light waves of a uniform wavelength.

This optical "pumping" effect was exploited by Dr. Charles H. Townes of the University of California at Berkeley and others to produce the intense, narrow beams of uniform wavelength characteristic of lasers.

Mr. Kastler's Nobel Prize, in 1966, was awarded for "the discovery and development of optical methods for studying Hertzian resonances in atoms."

Other deaths: Wolf Vothke, 87, the West German opera director who staged the world premiere of Wagner's *Die Meistersinger* in 1955, died Thursday in a home for the aged near Hamburg.

Smit Singh, 33, the field hockey player who represented India 13 times at international events that included the Olympics, Asian games and World Cup, Saturday in a car accident in the state of Punjab, in India.

Pre-Election Polls Boost Danish Conservatives

The Associated Press

COPENHAGEN — Denmark's 3.8 million voters will elect a new parliament Tuesday in what many observers believe will be an ideological showdown between the country's long-established socialism and its new conservatism.

A poll by the Observa Institute published last week in the conservative newspaper *Jyllands-Posten* said 49 percent of the voters want Mr. Schluter to continue as government leader. Mr. Jorgensen was the choice of 31 percent.

If the voting bears out the polls, it would mean a Conservative majority in the nine-party legislature with the help of just one support party.

That could end a series of foreign policy setbacks for the government, mainly caused by the Socialists, who forced Denmark to break with its partners in the North Atlantic Treaty Organization and oppose the immediate siting of new U.S. Pershing-2 and cruise missiles in Western Europe.

Although military matters are hotly debated in Denmark, the election campaign has centered on economics. Mr. Schluter called the election Dec. 15, before his four-year term was up, when his 1984 finance bill became the first budget in 54 years to be rejected by the Folketing.

The budget bill was aimed at reducing Denmark's substantial deficit by cutting public spending.

The Social Democrats, led by former Prime Minister Anker Jorgensen, 61, have focused their campaign on the country's jobless rate of about 10.5 percent.

The coalition parties have emphasized improvements in most other economic indicators and promised a leveling-off, then a reduction, of the unemployment rate in 1984.

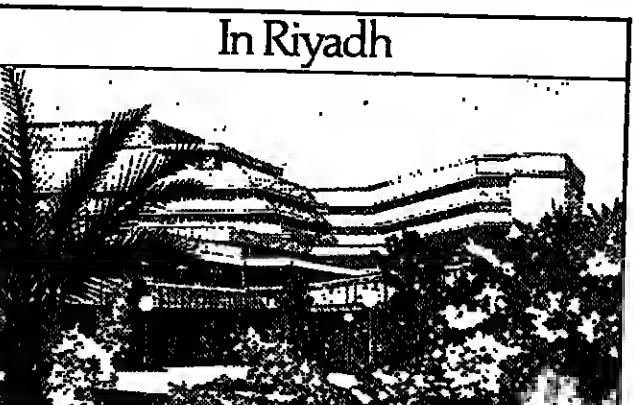
U.S. Population Of Asians Rose 146% in 1970s

The Associated Press

WASHINGTON — The U.S. population of Chinese, Koreans, Vietnamese and Filipinos rose 146 percent during the 1970s because of large-scale immigration, the Census Bureau said Sunday in a report, "Asian and Pacific Islander Population, 1980."

There were 3,466,421 Asians in the United States in 1980, compared with 1,426,148 a decade earlier. With 259,566 Pacific Islanders, the group makes up 1.6 percent of the U.S. population, or twice the percentage in 1970. The category comprises people born overseas and those born in the United States of Asian or Pacific ancestry.

Three-fourths of the Asians and islanders live in seven states: California, Hawaii, New York, Illinois, Texas, Washington and New Jersey. The Chinese are the largest Asian group, at 812,178, compared with 431,583 ten years earlier. There are 781,894 Filipinos (336,731 a decade earlier), 716,331 Japanese (\$88,324), and 357,393 Koreans (\$69,510).



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LETTERS TO THE EDITOR

(Continued from Page 4)

have kept rolling and that they will keep the world economy moving by their momentum. Yet Ambassador Galbraith, too, considers the budget deficit to be a threat to economic stability.

The U.S. Treasury should issue bonds convertible into gold at interest rates of next to nothing. This would reduce the huge interest burden on government debt and free the capital markets to support private industry at much lower rates.

Despite the low returns, investors would eagerly buy the "gold bond." It would be prudent for the United States government to implement this idea before others — who also have gold — catch on.

HORST SCHNOES,
Nairobi.

Killings at Random
Regarding "Shut's Soja U.S. Will Get at Terrorists" (IHT, Dec. 14): Bernard Gwertzman quotes U.S.

Secretary of State George Shultz as declaring that "the use of violence to kill people at random" is not consistent with the precepts of civilized life. It is perhaps not irrelevant to recall the U.S. attack on the rural society of South Vietnam, in which "the use of violence to kill people at random" was developed to a point that makes the Iranian bombings seem restrained.

One can only agree with Mr. Shultz that such actions constitute "a serious international problem" against which "steps do need to be taken." A small beginning might be to provide aid and reparations to societies subjected to U.S. violence.

FREDERICK M. DOLAN,
Paris.

Don't De-Americanize
Professor Melvin R. Krauss's arguments (in "A Case for De-Americanizing European Defense," IHT, Dec. 12) are enticing but flawed.

THEODORE A. COSHNEAR,
Milan.

Western Europe, now busy haggling over milk prices, could all too easily slide into defense apathy in a time of general disarray and economic crisis and, not long thereafter, into neutralism.

Professor Krauss is unconvinced in talking of frightening the Kremlin with a European nuclear deterrent. Anything that separates Europe from America — and a separate European defense force would have such an effect — would represent a diplomatic victory for the Soviet Union of the first rank.

Lurking below the surface of Professor Krauss's article is the inference that U.S. missiles and soldiers were placed in Europe to defend Europe, to prove to Europeans that America was committed to their defense. The truth, as a growing number of Europeans suspect, may be somewhat less inspiring.

THEODORE A. COSHNEAR,
Milan.

Moslems and Romans

As a former Greek ambassador, I found your special report on Greece (IHT, Dec. 29) well done, the economic articles especially.

However, an article in the same issue, entitled "Greek-Turkish Suspensions Resuming Along Border," mentions "the large Turkish minority in Greece." That is a mistaken term. There is no Turkish minority in Greece. There are no Turkish citizens residing in western Thrace.

According to the Lausanne Treaty on the exchange of populations, the Turkish-speaking Moslem population of western Thrace and the Greek-speaking Christian population in the Istanbul area and on the islands of Imbros and Tenedos were exempted from the exchange.

At the time there were about 100,000 on either side of the border. Minority rights were accorded to both groups.

The minority on the Greek side is Moslem. The Turkish govern-

ment has never described the Christian minority other than as *Rum* (Roman), never Greek. (Under her constitution, Turkey is a "secular" state.)

The Moslem minority in Greece now numbers close to 150,000, despite Turkish complaints of "discrimination." No mention is made in the article of the Christian minority in the Istanbul area and the two islands, which was virtually wiped out by a series of administrative measures starting in 1964.

As to Turkish fears of Greece, I find them hard to believe. Turkey has a population of 40,000,000. Our population has not yet reached 10,000,000. Turkey has occupied northern Cyprus since 1974 and has claims on the seabed and the airspace of the Aegean. We have no claims against Turkey. Turkish fear of Greece is hardly explicable.

T.I. CHRYSANTHOPOULOS,
Aeghion, Greece.

Next to the Crossword

Regarding the science feature "Was Major Galileo 'Discovery' Stolen?" (IHT, Dec. 15):

That an obscure professor from the University of Indiana should accuse Galileo of "stealing" ideas is no surprise. The surprise is that the International Herald Tribune should give the story any space. Attacks of this sort have long been an academic shortcut to attention.

One pops up every few months: a breathless report of a long-known Jefferson liaison, or a vaguely reasoned attribution of Shakespeare to someone else. A favorite, regularly refuted, is that Darwin stole the idea of natural selection from Wallace. No country, no person, no discipline is safe. If you must report such stuff, the place for it in your fine paper is among the comic strips, next to the crossword puzzle.

CHARLES GUZZETTA,
Vienna.

Gold to the Rescue?
All four opinion articles on your editorial page of Dec. 17 concerned economic issues. John Kenneth Galbraith, Robert J. Samuelson and the Israeli, Robert J. Samuelson, the U.S. Treasury Secretary, have all been in the news recently. Galbraith, the U.S. Treasury Secretary, have all been in the news recently. Galbraith, the U.S. Treasury Secretary, have all been in the news recently.

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Herald Tribune

BUSINESS/FINANCE

MONDAY, JANUARY 9, 1984

Page 7

EUROBONDS

By CARL GEWIRTZ

U.S. Corporate Paper and Issues With Short Maturities Gain Favor

PARIS — The market for fixed-rate dollar Eurobonds reopened briefly last week after a month-long hiatus and shut with a thud as only four of them found acceptance. Two were for units of double-A-rated U.S. retailers, R.H. Macy and Sears Roebuck & Co., and two were bank issues.

Analysts conclude that there is demand for U.S. corporate paper and issues with relatively short maturities. But long-dated government or government-agency paper is out of favor.

"There's a lot of interest in paper with five-year maturities or issued by U.S. companies," one banker said.

"But no one wants 10-year government paper. It's not even a question of coupon level, they're just wrong deals for this market."

He was referring to two issues launched Friday — \$150 million of 10-year bonds for Quebec, offered at par bearing a coupon of 12 1/2 percent, and \$100 million of seven-year notes by Nova Scotia offered at par bearing a coupon of 11 1/2 percent.

A rumored offering by Ontario Hydro never took place.

The Quebec paper was trading at a discount of 2 points to yield 12.61 percent. Nova Scotia was being quoted at a discount of 2 1/2 points to yield 12.27 percent, despite an announcement by lead manager Union Bank of Switzerland to co-managers not to "directly or indirectly offer or sell debentures at below the issue price less the selling concession" of 1 1/4 points before the Jan. 12 signing date.

A third Canadian offering, \$100 million for the Royal Bank of Canada, got a better reception. Thanks to its short maturity of five years, the notes, offered at par with a coupon of 11 1/2 percent, were being sought at a discount of 1 1/4 points.

Tenai Bank's \$100 million of seven-year notes, offered at par with a coupon of 12 1/4 percent, were also quoted at a discount of 1 1/4 points.

Australians Fare Less Well

But Rural & Industries Bank, despite the state of Western Australia's guarantee, fared less well. Its \$50 million of seven-year notes, offered at par bearing a coupon of 12 percent, were quoted at a 2-point discount.

The best received issues of the week were Macy's \$100 million of 11 1/2-percent bonds and Sears' \$150 million of 11 1/2-percent paper. Sears also sold \$50 million of 11 1/4 percent bonds in Asia at a discount of 99 1/4 to yield 11.36 percent. These all had seven-year maturities. The Macy paper ended the week at 99. Sears was quoted at 98 1/4.

The notable aspect of these issues is that they were priced at less than comparable U.S. Treasury paper. Macy's terms were close to 30 basis points below Treasury paper and Sears' were close to 50 basis points below. One hundred basis points equal one percentage point. As both companies would have to pay more than the Treasury to raise funds in New York, the savings to them were considerable.

Analysts found this situation confusing. International investors should

(Continued on Page 9, Col. 5)

U.S. Purchasing Agents Say Index Rose Sharply

By Phillip H. Wiggins

New York Times Service

NEW YORK — The U.S. economy expanded in December for the 12th consecutive month, corporate purchasing agents said Sunday, with the group's composite monthly index rising to its highest level in 10 years.

The index increased to 67.2 percent from 65.9 percent in November.

Rises in employment, production and new orders contributed to the advance.

The report, by the National Association of Purchasing Management, also noted a slowing of deliveries from suppliers, a good sign, as it tends to mean suppliers have backlogs of orders — and a slight growth in inventories, which reacted to the rise in production. Prices increased moderately.

"It looks to me as though we are going to start the quarter off with a bang," said Edward Yardeni, chief economist at Prudential-Bache Securities.

"The sharp increase in the purchasing managers' index, combined with the surge in consumer sentiment indices, suggests that everybody's happy."

The buying agents' index is based on responses from 250 managers who buy equipment and supplies for industrial companies. A reading below 50 percent indicates that the economy is declining, while a measurement above 50 percent shows it expanding.

Charles T. Haffey, who is in charge of compiling the responses and is also vice president of the corporate purchasing division at Pfizer Inc., said employment had been rising since June. In December, 21 percent of the group's members reported higher employment while 9 percent reported less. In November, 26 percent said they had higher employment, while 13 percent had lower employment.

Production has been higher each month since the beginning of 1983.

Last month, 44 percent of the manufacturing members reported better production, while 6 percent said that it was worse. In November, 36 percent had higher production while 6 percent said it was lower.

The strong rate of new orders suggested that there would be continued improvement in production and employment. Forty-four percent of the purchasing agents said orders were better in December, while 10 percent said they were worse. A month before, 42 percent said they were better while 10 percent said they were worse.

The group said prices continued to rise in December, but it added that there had not been an across-the-board movement all year.

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U.S. Banks Kept Out of Insurance

By Jerry Knight

Washington Post Service

WASHINGTON — The Federal Reserve Board has rejected efforts by three major U.S. banks to expand into the insurance business by taking advantage of a loophole in a state law.

Reinforcing the barriers between banks and other kinds of financial institutions, the board decided Friday not to permit federally chartered bank holding companies to buy or start banks in South Dakota — the only state giving banks free rein to enter the insurance field.

Citicorp of New York, BankAmerica Corp. of San Francisco and First Interstate Bancorp. of Los Angeles had all applied to the Fed for permission to establish South Dakota operations, which under state law would be free to sell insurance throughout the United States.

Congress is considering changing the law that keeps banks out of the insurance business, and the Fed said it will suspend action on the three banks' applications until the lawmakers act.

The insurance industry is vigorously fighting the banks' efforts to move into their business and four insurance trade associations filed objections to the South Dakota acquisitions.

The South Dakota state government has been encouraging out-of-state banks to set up operations there as a way of drawing wealth. (Continued on Page 11, Col. 5)

Ranking the Mutual Funds by Performance

Mutual funds have been ranked by percentage gain in each period — assuming full reinvestment of dividends and capital gains.

Source: Lipper Analytical Services

ONE YEAR TO DEC. 1983

Oppenheimer Regency	58.1%
Jana Growth Fund	52.6%
Fidelity Select Technology	52.5%
Alliance Technology	47.6%
First Investors Discovery	47.4%
Strong Investment	45.2%
Underfund Fund for Income	44.1%
Royce Value Fund	43.0%
Long Mason Value Trust	42.7%
Strong Total Return	41.2%
Dow Jones Industrials	26.1%
S&P 500	22.6%

FIVE YEARS TO DEC. 1983

United Services Gold	544.5%
Strategic Investments	518.3%
Fidelity Magellan Fund	515.9%
International Investors	507.1%
Franklin Gold Fund	481.6%
American Capital Pace	335.6%
Lehman Capital Fund	324.6%
Massachusetts Capital Dev.	320.6%
Quaker Associates	314.3%
Phoenix Stock	308.7%
Dow Jones Industrials	108.6%
S&P 500	122.6%

10 YEARS TO DEC. 1983

Fidelity Magellan Fund	1,124.7%
Underfund	1,038.4%
Oppenheimer Special	1,015.3%
Evergreen Fund	960.5%
Twentieth Century Growth	930.0%
American Capital Pace	913.4%
Twentieth Century Select	880.6%
Mutual Shares Corp.	753.3%
Sageport Fund	708.5%
American Capital Comstock	773.4%
Dow Jones Industrials	154.2%
S&P 500	176.4%

The New York Times

U.S. Mutual Funds Fell Short in '83 Of Performances of Recent Years

By David E. Sanger

New York Times Service

NEW YORK — Investors who loaded up on high-technology mutual funds when the U.S. stock market boom started 18 months ago made a killing in the first half of 1983. But those who failed to bail out by summer very likely suffered heavy losses that often wiped out their earlier gains.

The funds that did well in the last half of the year were heavy in international stocks or more traditional businesses like tobacco and insurance.

Those are the conclusions of the first full analysis of how mutual funds performed last year, released last week by Lipper Analytical Services. The numbers show that despite the overall strength of the market last year, most investors who profited in mutual funds did so by radically redirecting their portfolios by the beginning of the third quarter.

"There were two sharply different markets last year, and you had to move fast to catch them," said A. Michael Lipper, president of Lipper Analytical. So while some high-technology stocks still ranked among the best performers for the year, "all the money in the

second half was in the defensive players, the low price-earnings ratios and the out-of-favor companies," he said.

The biggest winner in 1983 was the Oppenheimer Regency Fund, a fairly small, diversified fund operated by Oppenheimer Asset Management Corp.

"I just did less wrong than everyone else," said George Boltes, the fund's manager. He said his \$32-million fund mixed high- and low-technology industries, specialty retailing companies and financial services, all in "rapidly growing areas."

He said his own portfolio included many of the stocks in the fund, as well as shares of the fund. "It makes me more careful," he added.

He and several other successful fund managers said that a key to success in the second half of the year was retaining flexibility. "With a big fund, you lose your chance to move very quickly," Mr. Boltes said. In October, for example, he dumped most of his riskier stocks, whose prices were excessively high when compared with the company's short-term earnings. These

(Continued on Page 9, Col. 1)

Real-Life Drama Sours for Head of Warner Communications

By Leslie Wayne

New York Times Service

NEW YORK — The saga of Warner Communications Inc. and its flamboyant chairman, Steven J. Ross, is the sort of real-life drama that might be portrayed in the films Warner spins out. A struggling boy from Brooklyn builds a \$4-billion conglomerate that includes one of the premier movie studios in the United States. He marries three beautiful women in succession. Then, one day, his empire is threatened.

The threat has come from outside Mr. Ross's entertainment conglomerate, and from within. Last week, the Australian media baron, Rupert Murdoch, said that he was seeking to buy as much as 49.9 percent of Warner and hinted at a proxy fight — an action that sears of a takeover through Warner's executive suite. To find him off, Warner placed 25 percent of his shares in the friendly hands of Chris-Craft Industries Inc., whose ownership of television stations might cause regulatory problems for Mr. Murdoch.

These rapid-fire events sent Wall Street deal-makers shopping for a white knight company to buy Warner and protect Mr. Ross from his foes.

"Unless he can keep all these people at bay, it's difficult to see where Steve Ross will end up," said

Fred Ansel, an analyst with Dean Witter Reynolds. "Still, it is premature to write him off."

Mr. Ross's problems began long before Mr. Murdoch made his first move in early December by buying 6.7 percent of Warner's stock. The company had been ailing for more than a year, since the collapse of Warner's most dynamic business, Atari. The last year has seen Warner burdened with problems. Its stock, which soared to \$63 a share in 1982, recently traded as low as \$19 — making it a tempting morsel for anyone with the money and the inclination to take over its problems and potential.

Atari, which had been Mr. Ross's greatest triumph, is now the major cause of his problems. The video game and consumer electronics company helped lift Warner's sales from \$775 million in 1976 to nearly \$4 billion in just over five years. But last winter, miscalculations about the potential of video games left the company unprepared when the fad faded. After reporting 48 straight quarters of record profits, Warner is now in financial shambles. It lost \$424 million in the first three quarters of 1983 and may report even larger losses for the year. The Atari unit alone — which earned \$323 million in 1982 — lost \$536 million in the first three quarters of 1983.

Much of the blame for these problems has been placed squarely

on Mr. Ross, whose style of management — he gives his executives a high degree of autonomy — is said to have resulted in huge corporate overhead costs and an inattention to Warner's basic businesses.

Still, Mr. Ross is given much credit for transforming a funeral service, limousine and parking lot business inherited from his former father-in-law into a major entertainment conglomerate. His movie and television studio, Warner Bros., has set box office and profit records in 1983; its highly profitable record division features such hit-makers as Linda Ronstadt and Paul Simon; its book publishing division has benefited from such best-sellers as "Megatrends." The company also owns such diverse units as Mad Magazine, the Cosmo soccer team and the Franklin Mint, and holds half of Warner Amex Cable Communications.

But Mr. Ross, who declined to be interviewed, stumbled when he moved from the empire-building days of the 1970s into the 1980s, when the corporate task became one of managing many new and unfamiliar businesses, particularly Atari. Since its purchase in 1976 for \$28 million, Atari had grown to represent about half of Warner's sales and over 60 percent of its profits. And Atari is not the only trouble spot. Warner invested \$200 million in Warner Amex cable, but the venture remains unprofitable

— analysts estimate Warner Amex lost \$65 million in 1983 and will lose \$80 million in 1984.

"If Atari isn't dead, it's ill and it might be terminal," said Lee Igar, an analyst at Paine Webber. "The problems have continually been much, much worse than they thought they would be." Even if Warner wanted to sell Atari, it is uncertain whether anyone would be interested in buying a company with so many troubles, and at anything other than a distress price.

Warner Amex is also having problems. The joint venture with American Express bid aggressively for big-city cable television franchises and now finds itself saddled with wiring cost overruns and inadequate fees from monthly subscribers. The venture has drawn down most of its \$875-million credit line and may need to raise about \$365 million more.

Warner's other entertainment areas are holding their own, but they bring more glamour to Warner than profits. The record division reported higher-than-expected earnings due to several platinum albums, and a mediocre first half turned into a strong second half for the movie division.

Still, investors are attracted more by the glamour than the earnings of Warner Bros., one of the few remaining publicly held movie stu-

dios. "It's a business that people are crazed to get in," said Allan Raphael, senior vice president at Arnold & S. Bleichroeder, an institutional brokerage firm.

More important to potential investors is Warner's film library — valued at as much as \$500 million — and its television and record library. All this is especially appealing to someone like Mr. Murdoch, who has talked about getting into the direct broadcast or satellite television business and would find this programming valuable.

"If someone buys Warner, they would buy it for the motion picture business, the film library and the television operation," said Mr. Raphael. "Hopefully, the other stuff won't kill you too bad."

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Provided by White Weld Securities, London, Tel.: 623-1277; a Division of Financière Crédit Suisse-First Boston
Prices may vary according to market conditions and other factors.

CONVERTIBLE BONDS

HIGHEST CURRENT YIELDS ———
convertibles having a conversion premium
of less than 10%.

[illegible]

Closing Prices Jan. 6, 1983	NY Vent	8.09	8.84	Royce	7.34	NL	Growth	18.04	18.97
	Newst GI	28.12	NL	SFT Est	10.08	10.96	World	12.57	13.74
	Newst Inc	8.12	NL	Seisco Secur:			Trns Cap	71.95	12.99
				South	10.10	MI	TrnsNew	8.19	.61

[illegible]

For the Week Ending Jan. 6, 1983

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PARIS — In a report to the international committee on human rights, the United Nations said today that the French government had failed to take adequate measures to protect the rights of the people of the French overseas territories.

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By Jeff Gerwin
New York Times Service
WASHINGTON — The incoming case filed last week by the Justice and Exchange Commission against Paul Manafort and his associates may be the most important action the agency is taking during the tenure of President Ronald Reagan.
John S.R. Shanley, who took over the agency in the spring of 1981, has been criticized in Washington for his criticism of the Reagan administration's handling of the Iran-Contra scandal.
The case against Manafort, a former aide to President Richard Nixon, is a landmark in the history of the Securities and Exchange Commission's enforcement of securities laws.
The case is the first in which the commission has charged a former high-ranking official of the Reagan administration with securities fraud.
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hardest hit in the fourth quarter. But funds were strong in the first three months and fell off a bit when the announced dividend of the year. Airline funds proved strong for half.

As for the performance of equity funds was disappointing compared with that of the Standard Index. For the first time in the annual fund analysis, equity funds for the year lost 2 percent — was less than the Standard Index and the Dow Jones average, assuming the dividend adjustment of dividends at the end of the year. The S&P index rose 1 percent, while the Dow rose 1 percent.

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NEW EUROBOND ISSUES

Issuer	Amount (millions)	Maturity	Coupon %	Price	Yield At Offer	Terms
Switzerland	\$ 50	1992	1/4	100	—	Over 6-month Libor. Minimum coupon 5 1/2%. Callable at 100 in 1987 with a 3-yr notice. Extendable to 1994 at holder's option.
United Kingdom	\$100	1992	1/4	100	—	Over 6-month Libor. Minimum coupon 5 1/2%. Callable at 101 in 1989.
Overseas Finance	\$100	1991	11 1/2	100	11 1/2	First callable at 100 in 1988.
Overseas Finance	\$100	1991	11 1/2	100	11 1/2	Noncallable. Sinking fund to start in 1985 will produce an 8.5-yr average life.
Overseas Finance	\$150	1994	12 1/2	100	12 1/2	Noncallable.
Overseas Finance	\$100	1989	11 1/2	100	11 1/2	Noncallable.
Overseas Finance	\$ 50	1991	12	100	12	Noncallable.
Overseas Finance	\$150	1991	11 1/2	100	11 1/2	Noncallable. Issued in Europe.
Overseas Finance	\$ 50	1991	11 1/2	99 1/2	11 1/2	Noncallable. Issued in Asia.
Overseas Finance	\$100	1991	12 1/2	100	12 1/2	Noncallable.
City of Copenhagen	\$100	1994	8 1/2	100	8 1/2	Callable at 103 in 1989. A sinking fund to start in 1990 will produce an 8-yr average life.
British Columbia Telephone	\$ 50	1989	11 1/2	99 1/2	11 1/2	Noncallable.
British Columbia Telephone	\$ 70	1999	12 1/2	100	12 1/2	Redeemable and callable in 1989 and 1994. Increased from \$50 million.
British Columbia Telephone	\$ 50	1991	11 1/2	100 1/2	11 1/2	Noncallable.

Government Eurobonds Have Fallen From Favor

(Continued from Page 7)

The first of these should come to market this week — \$100 million for Marata Manufacturing, an electronics firm.

Equities are much in favor. And dollar bonds convertible into Japanese shares also offer investors a relatively painless way to speculate on a decline of the dollar because the bonds carry a fixed dollar-yen exchange rate.

Meanwhile, the dollar's rise against the Deutsche mark did nothing to help the market for DM Eurobonds. Foreign investors are not rushing to buy marks while the dollar is still rising and domestic investors are not rushing to buy Eurobonds as the yield advantage over domestic issues has narrowed very sharply.

Currently on offer is 100 million DM for Copenhagen. The 10-year bonds, priced at par, bear a coupon of 8 1/2 percent and were quoted at a discount of 1 1/2 points.

This week will see considerably more activity. The European Community is scheduled to launch a 200-million-DM issue, followed by Michelin for 100 million DM and Spain for 200 million DM. The Spanish issue is expected to bear a coupon of 9 percent.

With the withholding tax on domestic interest payments now up to 25 percent from the previous 20 percent, Belgian investors are expected to turn even more to the Eurobond market for new investments, bankers report.

As a result, they are predicting a 25-percent increase in the volume of bonds denominated in European currency units. Credit National of France is currently offering 50 million ECU of seven-year notes bearing a coupon of 11 1/2 percent and priced at 100 1/2 to yield 11.21 percent. Despite the premium pricing, the bonds were quoted at 99 1/2.

The Paris Metro, formally known as the RATP, is scheduled to tap the market later this month, probably following a 50-million-ECU issue for the European Investment Bank.

In the sterling market, International Standard Electric, a unit of I.T.T., sold £50 million of five-year bonds bearing a coupon of 11 1/2 percent and offered at 99 1/2.

British Columbia Telephone increased to 70 million Canadian dollars from the 60 million announced initially in its offering of 12 1/2 percent bonds. The bond has a final maturity of 15 years, but investors can request redemption after five and 10 years — making the issue, in effect, a five-year piece of paper.

International Herald Tribune

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| Catering | Pen Pals |
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Herald Tribune

Floating-Rate Notes Are Overshadowing Syndicated Loans

By Carl Gewirtz
International Herald Tribune

PARIS — In sharp contrast to the international capital market, activity in syndicated bank loans got off to a slow start this year with only a few relatively modest deals on offer.

Most experts expect the Eurobond market to dominate the bank loan market, with quality borrowers issuing floating-rate notes rather than trying to arrange loans.

This is explained by the continuing attraction of floating-rate notes to investors who want to maximize their interest income while at the same time keeping their holdings as liquid as possible in case interest rates or the dollar's exchange rate declines.

At the same time, many banks that normally participate in the credit market appear to prefer to put their money into floaters because the marketability of these securities offers them considerably more flexibility for managing their holdings. In addition, banks are attracted by the profit potential.

In a period when many commercial banks are under pressure from their home authorities to increase profits, floaters have much appeal. Commissions can be booked immediately and the notes subsequently sold in the secondary market — resulting in no growth of the bank's balance sheet.

In contrast, commissions generated on syndicated loans are taken as income over the life of the loan, which is held to maturity and infuses the balance sheet.

As a result of the large demand for floaters, the terms borrowers can achieve are considerably more attractive than can be had in the credit market: maturities of as long as 10 years are significantly longer than the five-to-seven-year loans available from banks and the interest cost of 25 to 50 basis points over the London interbank offered rate is considerably lower than what banks demand for loans. One hundred basis points equals one percentage point.

Many analysts insist that these terms are aberrant and that a shakeout in the floating-rate-note market will result in more homogeneous terms with the bank credit market. But until that happens, floaters will continue to appeal to those quality borrowers who have access to it.

For example, Aerospatiale, the French state-owned aeronautical company, is discussing borrowing as much as \$200 million and is expected to raise most of this through a floating-rate note. If the amount is deemed too big for the public market to take, a smaller portion may be raised as a syndicated loan.

Denmark, which sold \$500 million of floating-rate notes last October, is expected to raise most of this through a floating-rate note. If the amount is deemed too big for the public market to take, a smaller portion may be raised as a syndicated loan.

On the other hand, such regular borrowers as Denmark also have to keep an eye out to stay in favor with their traditional bankers. The floating-rate-note market may not always be available, so long-standing relationships with international banks are not lightly jettisoned.

These relationships are important for the largest commercial banks, resulting in lucrative business that might not otherwise come to them — managing some of a country's foreign reserves, providing short-term trade finance or letters of credit and the like.

Thus, the biggest banks, which usually organize syndicated credits, will be urging borrowers to tap that market.

To attract the borrowers, commercial banks most likely will be forced to compromise: Terms on credits will be lower than they might otherwise have been but still remain higher than those of floating-rate notes. It remains to be seen how far banks will be willing to cut margins as the reluctance to increase assets should temper competition to attract new business.

In addition, as the business recovery progresses corporate loan demand should keep banks busy trying to satisfy their domestic clients.

Nevertheless, bankers report that Denmark could probably expect to be offered a margin starting at 1/4 of a point over Libor for a syndicated credit, compared with the 1/2-3/4 percent it had been paying.

Portugal and Greece are also beginning to discuss their cash needs with bankers. If Indonesia can tap the floating-rate-note market, albeit not very successfully, Portugal and Greece also ought to be able to. Whether they do should be decided shortly.

The State Electricity Commission of Victoria is currently raising the U.S. dollar equivalent of 100 million Australian dollars in a Euro-note facility, an operation that combines aspects of a syndicated loan and a capital market transaction.

The arrangement resembles a syndicated credit insofar as a group of banks is being put together to take these 15-year notes. (A sinking fund reduces the average life of the notes to 12 1/2 years.) However, every six months the notes, denominated in units of \$250,000, will be offered to a panel of banks invited to tender for them.

The tender panel will bid for the notes at a discount from face value. The yield derived from being repaid at par will be limited to a maximum equivalent of 1/4-point over Libor. The bidding banks can then sell the paper to private clients, at a lower discount, or hold them.

If bids are deemed unacceptable, the underwriters will take the paper. For this, they earn an annual fee of 15 basis points.

Assuming that the notes are sold at 1/4 point over Libor, the total cost to the borrower is estimated to total 28 basis points. If, as managers deem more likely, the notes are sold at the equivalent of Libor, the cost to the utility will total an even thinner 15 basis points over Libor.

In South Korea, Hankuk Glass Industry Co. is seeking \$36 million. Interest on the eight-year loan is set at 1 point over Libor for the first three years and 1 1/4 thereafter. Participations taken on a tax-spared basis will earn 3/4 point over Libor.

Bankers say at least two other private-sector Korean borrowers will be tapping the market for larger amounts of \$100 million each.

In France, Banque Internationale Pour l'Afrique Occidentale, a consortium institution in which Banque Nationale de Paris holds the majority stake, is raising as much as \$30 million through the sale of five-year certificates of deposit.

Interest is set at 1/4 point below the three- or six-month Libor. But a drawing fee of 1/4 percent for six-month notes (3/16 percent for three-month paper), a commitment fee of 1/4 percent and a front-end fee of 1/2 percent mean that BIAO will be paying the equivalent of 1/4 point over Libor for its money.

SEAT, the Spanish auto maker, is raising 185 million Deutsche marks through the sale of six-month promissory notes over a period of seven years. The total cost to the borrower will total 1/4 point over Libor but managers will attempt to sell the notes at 1/4 point over Libor.

Interbanca, a unit of Italy's state-owned medium- and long-term credit bank, will be seeking \$15 million. Interest on this five-year paper will be set at 1/2 point over Libor. The borrower will pay an annual commitment fee of 1/4 percent and participation fees ranging up to 1/4 percent.

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Thayer Insider Case Likely To Stem Criticism of SEC

By Jeff Gerth
New York Times Service

WASHINGTON — The insider trading case filed last week by the Securities and Exchange Commission against Paul Thayer and eight others may be the most important enforcement action the agency has brought during the tenure of its chairman, John S.P. Shad.

Mr. Shad, who took over as chairman in the spring of 1981, has been widely criticized in Washington for what his critics say is laxness in enforcing securities laws.

The high visibility of the case — Mr. Thayer resigned as deputy secretary of defense over the charges — has reminded some present and former officials of earlier eras, when the commission's enforcement actions were often in the news.

Mr. Thayer and the attorney for five of the defendants, Joel Field, say the SEC has distorted the case by ignoring facts that they say establish the innocence of the defendants.

The civil case, which will be tried in Federal District Court in New York, will sort out those arguments and lay bare how the SEC discovered and gathered evidence on the purported scheme.

The SEC complaint does not detail what the commission relied on for its evidence, but one source familiar with the case said an informant played a central role.

If an informant exists, securities lawyers said, the Thayer case is both relatively unusual and somewhat "harder" than the typical insider action. Most insider trading cases, these lawyers say, rely heavily on circumstantial evidence.

Securities lawyers say the court case will also set important precedents in securities law and the area of insider trading.

The SEC has charged that Mr. Thayer, while chairman of LTV Corp., improperly passed along privileged information about companies on whose boards he sat. As a result of his tips, the agency charges, eight people made \$1.9 million in illegal stock-trading profits.

Mr. Thayer is not charged with profiting personally from the stock trading, creating one of the central legal issues that will be closely watched as the case proceeds.

Securities law prohibits buying or selling stock on the basis of information that is available only to company insiders. But a recent Supreme Court decision leaves it unclear whether a person who passes along inside information to those who profit from it, but does not profit from it personally, has violated the law.

ABRIDGED PARTICULARS

Application has been made to the Council of The Stock Exchange, London for all the Participating Redeemable Preference Shares of US\$0.01 each of the Fund ("Shares") now being offered to be admitted to the Official List.

Holborn Currency Fund Limited

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of up to 100,000,000 Participating Redeemable Preference Shares of US\$0.01 per share

THE FUND

The Fund is an open-ended investment company incorporated in Bermuda with limited liability on 7 December 1983. The Bye-Laws of the Fund permit it to issue shares of different types, the price of each type being based on the value of the net assets attributable to that type of share. It is thus intended to operate in a similar way to a mutual fund or unit trust.

TAXATION OF GAINS ON OFFSHORE FUNDS

The Fund is the first new fund to be offered with the aim of securing "distributor" status, as defined in the proposed legislation announced on 17 November 1983. Funds which attain this status will, subject to the enactment of legislation in the form in which it was announced, permit investors to enjoy the benefits of foreign currency investment without capital gains being taxed as income.

CHOICE OF SHARES

Two types of *Managed Shares* are available —

Key features of the new Fund are —

- It is designed to qualify for total exemption from the proposed new UK legislation on the taxation of gains of UK investors in offshore funds as income.
- Extensive range of currency investment options, including managed and deposit funds.
- Opportunities for capital growth.
- Individual shareholders benefit from the higher "wholesale" interest rates earned by the Fund.
- Fund based in Bermuda, an offshore financial centre of the highest repute, and managed in Guernsey.
- The investment advisers are Prudential Portfolio Managers Limited, who also advise the highly successful Vanbrugh Currency Fund.

The subscription lists for the Shares now being offered open on 9th January, 1984 and will close on 20th January, 1984.

Copies of the Prospectus (on the terms of which alone applications may be considered) and the Application Form may be obtained from —

Prudential Portfolio Managers Limited
142 Holborn Bars, London EC1N 2NH.

Rowe & Pitman,
City-Gate House, 39/45 Finsbury Square, London EC2

The Prospectus was advertised in full with an Application Form in the Financial Times and the Daily Telegraph on Saturday, 7th January, 1984.

Issued on behalf of the Fund by Prudential Portfolio Managers Limited, Licensed Dealer in Securities.

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To: Holborn Currency Fund Ltd.,
P.O. Box 61, Bermuda House,
St. Julian's Avenue, St. Peter Port,
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Please send me a copy of the Fund Prospectus (on the terms of which alone applications will be considered).

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U.S. Mutual Funds Fell Short In '83 of Previous Showings

(Continued from Page 7)

Despite the lackluster overall performance, 1983 proved to be a year of resurgence for the stock mutual funds, whose sales had languished for nearly a decade. Fund assets surged this year, to \$113.1 billion in November, up 51 percent from the previous year.

Examples of how badly the aggressive and riskier growth funds were hurt in the second half can be found throughout the 1983 rankings. The third-highest performer on the list was the Fidelity Select Technology Fund, which advanced 52.47 percent since the end of 1982.

While the increase is impressive, analysts noted that for the 12 months ended Sept. 30 the fund showed a return on investment of 133 percent. In the last two quarters, the fund actually lost significantly, performing well below the market averages.

stocks proved hardest hit in the third and fourth quarters.

Utility funds were strong in the third quarter but fell off a bit when some utilities announced dividend cuts at the end of the year. Airlines and autos also proved strong plays in the second half.

On average, the performance of equity mutual funds was disappointing compared with that of past years. For the first time in the history of mutual fund analysis, the growth of equity funds for the year — 20.23 percent — was less than the growth in the Standard & Poor's 500 index and the Dow Jones industrial average, assuming full reinvestment of dividends and capital gains. The S&P index rose 22.59 percent, while the Dow was up 26.06 percent.

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Priorities for the OECD and GATT:
Protectionism: Rhetoric and Reality;
Policies and Incentives for
Industrial Competitiveness;
Trade Policies and the Debt Crisis;
U.S. and EEC Trade Policies;
Fiscal and Monetary Policies:
Their linkage to International Trade;
East West Trade
and Technology Transfer:
The Congressional Agenda and
Corporate Competitiveness.

City/Country _____

هكذا من الزمان

SPORTS

Redskins Gain Super Bowl
By Defeating 49ers, 24-21

WASHINGTON — Mark Moseley, who missed four earlier attempts, kicked a 25-yard field goal with 40 seconds left in the game to send the defending National Football League champion Washington Redskins into Super Bowl XVIII with a 24-21 victory here Sunday over San Francisco.

The 49ers staged a three-touchdown comeback in the final quarter, but it was not enough to keep Washington from advancing to meet the American

NFL PLAYOFFS

Conference champions, the Los Angeles Raiders and Seattle Seahawks, Jan. 22 at Tampa Stadium in Florida.

Workhorse John Riggins barreled into the end zone for two short-yardage touchdowns and wide receiver Charlie Brown burned the 49ers on a 70-yard TD pass from quarterback Joe Theismann, moving the Redskins into a 21-0 lead after three quarters of the National Conference title game. Riggins rushed for 123 yards and a record sixth straight playoff game of more than 100 yards.

But San Francisco would not quit. Quarterback Joe Montana threw three TD passes within a four-minute span of 7:52 to tie the score, 21-21. Montana's comeback started on the first play of the final period, with a handoff to Wendell Tyler, who relayed the ball to Freddie Solomon on a flea-flicker play that Montana completed to Eason Ramsom for 23 yards to the Washington 3-yard line. Three plays later Montana passed to Mike Wilson, filling in for the injured Dwight Clark, for a score.

After Moseley missed a 41-yard field goal attempt, Montana combined on a 76-yard touchdown pass to Solomon.

On the 49ers' next possession, Montana took them 53 yards in 4 plays, passing the last 12 to Wilson for the tying touchdown.

The Redskins then took over on their 14 with 6:52 to play. Riggins carried 17 yards, moving Washington to its 31-yard line, and produced three more first downs. Two of them came after interference penalties against the San Francisco secondary — the first a 27-

yarder against Eric Wright and the second against fellow cornerback Ronnie Lott, which gave Washington a first down at the San Francisco 8-yard line.

Riggins carried three straight times, positioning the ball for Moseley.

With 40 seconds to play the NFL's most valuable player last season — when he set a record with 23 consecutive field goals — made good.

Apart from his 41-yard miss, Moseley had earlier been either wide or short on attempts of 45, 34 and 38 yards. But this time he was within easy range and put the ball between the uprights as a capacity crowd of 55,563, silenced through much of the final 15 minutes, erupted.

Riggins carried the ball 36 times, tying the playoff record he set a year ago. Montana, 45 passing attempts (the completed 27 for 347 yards) set a championship-game mark. Theismann was 14-of-26 for 229 yards.

The 10th-point favorite Redskins were only 7-0 leaders at halftime as the 49ers did an effective job of controlling Riggins. The half's only touchdown came on a short burst by the Washington fullback after Theismann's 46-yard completion to tight end Clint Didier.

That gave Washington a first down at the 49er 18, and after Riggins moved the ball to the 12, Theismann hit Joe Washington on a third-down play that put the ball at the 4. Riggins went in from there — the fifth straight playoff game in which he has scored a touchdown, tying an NFL record.

When Solomon fumbled a completed pass on the San Francisco 35 at 8:31 of the third quarter, Rich Milot recovered for the Redskins. Theismann then hit Art Monk for 13 yards and an interference call against Lott gave Washington a first down at the 6. Three plays later, Riggins was in the end zone again for a 14-0 lead.

San Francisco made no progress on its next possession and Washington took over on its 20. Riggins ran for 10 yards before Theismann launched a bomb to Brown, who split defenders Lott and Dwight Hicks at the San Francisco 46 and unsurprisingly them to the end zone for the 70-yard TD that gave Washington its 21-0 lead.

Raiders Both Loose and Uneasy

By Paul Arner

Washington Post Staff Writer

LOS ANGELES — So what if the Los Angeles Raiders had 13 turnovers while losing twice to Seattle this season? At Davis isn't worried.

"We don't get concerned about turnovers and stuff like that," said Davis, the Raiders' general manager. "We let other people get hung up on that statistic. It's not important to us."

Maybe this time Davis should be concerned. In Sunday's game against the Seattle Seahawks, the American Football Conference championship was at stake.

There aren't too many teams who have the talent to turn it over five or six times and still win," said Seattle coach Chuck Knox, who should know. He has built a winner by preaching error-free football, despite on-field statistics (19th offensively and 27th defensively in the National Football League).

The free-spending Raiders, pro football's most entertaining cheerleaders, spent the past week attributing those regular-season losses to the Seahawks to everything from a quiet crowd to bad horoscopes to lack of inspiration. They said they just couldn't take the longtime losers very seriously.

That may explain away the first meeting, when Seattle won, 38-36, despite just 2 net yards passing. The Raiders had eight turnovers and Los Angeles quarterback Jim Plunkett was sacked eight times, a performance that led to his replacement by Marc Wilson the next week against Dallas.

But the second loss can't be attributed so easily. That game was in the Los Angeles Coliseum and the Raiders were prepared to put away Seattle quickly. But after taking a 7-0 lead, they were trampled by the Seahawks, who used a rumble return for a touchdown and a march of 65, 65 and 80 yards, ending in a fake field goal for a touchdown, to ease to a 34-21 victory.

"Let's face it," said Plunkett, who did not play in the second game, "they really handed it to us in the second game. It was not a fluke. It was 17-7 in the second

quarter and got worse from there."

So that leaves us with one team, the Raiders, with superior talent playing an opponent, the Seahawks, that has no reason to be

asked either by the Los Angeles Oakland mystique or by its own first appearance in the title game.

And it leaves us a wonderful contrast in personalities and styles. The Raiders like to take chances and ignore common sense. The Seahawks follow the conservative blueprint and consider patience their chief virtue.

Asked whether his team has fun, Knox replied: "Sure, we have our light moments. After winning, we have our hip-hop boozies in the locker room."

Asked whether it was difficult to coach a bunch of renegades, Raider Coach Tom Flores deadpanned:

"Well, I open every team meeting by throwing some red meat inside and then closing the door. When the noise dies down and they are docile and doing, I go in."

"But I have a guy with a machine gun in back and a guy on the other side with a whip."

Said Howie Long, Raider defensive end: "I wouldn't want to try to beat us three times in a year. I just wouldn't want to face that task."

Seattle faced a similarly difficult task last week at Miami and came away with a 27-20 victory by forcing five turnovers. Miami had committed only 27 turnovers in 16 regular-season games.

The Seahawks have made just one major error in two playoff games, an interception by Dave Krieg.

Otherwise, they have been almost perfect. Curt Warner has gained 212 yards, Krieg has completed almost 66 percent of his passes for four touchdowns, the defense has caused eight errors, and the special teams, coached by Rusty Tillman, have been dominant as usual.

"We've shown that if you make the plays when you have a chance, then you can win these games," Knox said.

"It gets discouraging playing Seattle," said Plunkett, "because you are always starting on your 20 after kicks and they are starting at mid-field. Their special teams are something."

"The important thing for us is to



West halfback Alfred Anderson was denied from the 1-yard line early in Saturday's Shrine Game. The East won, 27-19.

West Takes Hula Bowl,
East Wins Shrine Game

United Press International

HONOLULU — Quarterbacks Steve Young and Steve Pelluer accounted for all three touchdowns and the West defense stiffened to preserve a 21-16 victory over the East in college football's Hula Bowl here Saturday.

Meanwhile, in Palo Alto, California, Joey Jones of Alabama caught a pass for one touchdown and ran a reverse for another TD to lead the East to 27-19 triumph over the West in the 59th annual Shrine Game.

Young, who set 13 NCAA passing records at Brigham Young, passed 4 yards to California's Dave Lewis for a touchdown and ran 11 yards for another to give the West a quick 14-0 first-period lead. Pelluer, of Washington, completed a second-period 46-yarder to Baylor's Gerald McNeil to give the West a 21-7 halftime lead.

In the third quarter the East narrowed the gap on an 8-yard pass to Kenny Jackson of Penn State and made it a 5-point game when Freddie Gilbert of Georgia tackled Young in the end zone for a safety.

But in the final period, the West defense forced a Hostetler fumble and Luke Sanchez of UCLA picked off a Hostetler pass at the goal line as time ran out.

The defense also set up the winners' first score when Reggie Singletary of Kansas State stripped Ohio State's Vaughn Broadnax of the ball 35 seconds after the opening kickoff, Jeff Leiding of Texas recovering at the East 12. Young

passed 8 yards to Jim Sandusky of San Diego State and then teamed with Lewis to complete the short scoring drive. Another Young-Sandusky completion, for 52 yards, set up Young's scoring run.

The East took a 7-0 Shrine Game lead early in the first quarter when Tony Fitzpatrick of Miami recovered a fumble by West quarterback Tom Tunnicliffe on the West 17-yard line. DuFord Jordan of McNeese State ran the ball four times, finally scoring from the three.

The East made it 13-0 on its next possession as Florida's Wayne Peace scored a 45-yard scoring pass to Jones, capping a 79-yard, 8-play drive.

The West came back late in the first quarter behind Nebraska quarterback Turner Gill, who completed a 76-yard 13-play drive by scrambling 12 yards for the score. In the drive, Gill was 5-of-5 passing for 53 yards.

Gill scored early in the second period on a 1-yard keeper to pull the West within 14-13 (the extra-point attempt was wide). Jones' touchdown on a 7-yard reverse made the halftime score 21-13, and the East's Jesse Garcia of Northeast Louisiana made it 24-13 on a 44-yard field goal, the only scoring in the third period.

In the fourth quarter, Peace fumbled a snap that was recovered by USC's Keith Brown at the East 17-yard line. Gill passed 14 yards to Stanford's Mike Tolliver, putting the ball at the 3. Kevin Nelson of UCLA carried twice in succession, scoring from the one.

Canadian Women Win 2 Races

United Press International

PUY-SI-VINCENT, France — Canadian Laurie Graham and Soren Sorenson swept top honors at a two-event women's World Cup race here during the weekend, Graham winning Sunday's important slalom and Sorenson taking the downhill on Saturday.

Graham, whose only other cup victory in four years came in a downhill last spring at Mont Tecon-

ville, Canada, came from starting position 21 to win the first women's slalom of the season.

A downhill specialist, Graham clocked a time of one minute, 15.73 seconds down a course of 1,900 meters (6,233 feet) with a drop of 470 meters through 37 gates.

Michela Figini of Switzerland, whose 1:15.98 had seemed unbeatable, was giving interviews when Graham flashed across the line a quarter of a second faster.

"It was basically the same course we ran yesterday for the downhill," said an excited Graham.

"I just went all out to ski well and go fast. I really never expected to win."

West German Maria Kiehl, 17, finished fifth in 1:42.21. Weizel, winner of a downhill at Haus, Austria, four days before Christmas, placed sixth in 1:42.24, followed by Epple in 1:42.29.

Competitors were taken by surprise Saturday as they went through the course's 35 gates. Race officials had led the turns during the night in an effort to speed up

the race. But Epple took over the lead in the overall cup standings, at 162 points to 135 for the previous leader, Trika Hess of Switzerland, and for Hansi Weizel of Liechtenstein.

Organizers shortened the length of Sunday's course, cutting out a hair turn at the start that would have been reduced to bare earth after the more than 100 competitors skied over it.

"The course was deteriorating fast," Graham said. "We had no real superior training, just an hour and a half of inspection before the race."

Figini, 17, was not downhearted at being thwarted from her first cup victory ever. "I didn't ski perfectly," she said. "The snow conditions alternated from hard to soft up

there. Even so, I'm not at all disappointed."

Armstrong, 20, was delighted by her third-place finish. "I was pretty nervous at the start," she said. "I had a little trouble on top, but I just let things happen. These things always seem to occur when you least expect it."

On Saturday, Sorenson overcame icy turns that disturbed most of her rivals to score a convincing victory.

She clocked a 1:40.44 to win her fourth cup downhill in three years by almost a second and a half from Austrian Veronika Vitthum, whose 1:41.82 was her best cup performance ever.

Third, in 1:42.02, was Maria Walliser of Switzerland, winner of a downhill last month in Val d'Isere, France.

Walliser edged out Austrian Sylvia Eder (1:42.05).

"It felt pretty fast up there," said Sorenson moments after she flashed down the 2.8-kilometer (1.73-mile) Arlesienne course, which dropped 700 meters. "The coaches said I hit the bottom section pretty well."

"I made up at least two seconds near the end."

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Figini, 17, was not downhearted at being thwarted from her first cup victory ever. "I didn't ski perfectly," she said. "The snow conditions alternated from hard to soft up

the course, and the results weren't to everyone's liking."

"I'm lucky to be here at all," said Tamara McKinney of the United States, the defending cup champion who could manage only 29th place here.

The women's circuit, still plagued by uncertain snow conditions, is scheduled to move to Badgast, Austria, for a downhill and slalom Friday and Saturday.

WOMEN'S DOWNHILL
1. Laurie Graham, Canada, 1:40.44.
2. Veronika Vitthum, Austria, 1:41.82.
3. Maria Walliser, Switzerland, 1:42.02.
4. Sylvia Eder, Austria, 1:42.05.
5. Maria Kiehl, West Germany, 1:42.21.
6. Hansi Weizel, Liechtenstein, 1:42.24.
7. Epple, Austria, 1:42.29.
8. Lisa Sjöberg, Austria, 1:42.40.
9. Michela Figini, Switzerland, 1:42.44.
10. Jose Gutierrez-Solano, Czechoslovakia, 1:42.45.
11. Eder, Austria, 1:42.46.
12. Elizabeth Krieger, Austria, 1:42.48.
13. Heidi Wastler, West Germany, 1:42.49.
14. Christine Gschwandtner, Austria, 1:42.50.
15. Olaf Christensen, Czechoslovakia, 1:42.51.
16. Maria Kiehl, U.S., 1:42.51.
17. Heidi Wastler, West Germany, 1:42.52.
18. Lisa Sjöberg, Austria, 1:42.53.
19. Heidi Wastler, West Germany, 1:42.54.
20. Heidi Wastler, West Germany, 1:42.55.
21. Heidi Wastler, West Germany, 1:42.56.
22. Heidi Wastler, West Germany, 1:42.57.
23. Heidi Wastler, West Germany, 1:42.58.
24. Heidi Wastler, West Germany, 1:42.59.
25. Heidi Wastler, West Germany, 1:42.60.
26. Heidi Wastler, West Germany, 1:42.61.
27. Heidi Wastler, West Germany, 1:42.62.
28. Heidi Wastler, West Germany, 1:42.63.
29. Heidi Wastler, West Germany, 1:42.64.
30. Heidi Wastler, West Germany, 1:42.65.
31. Heidi Wastler, West Germany, 1:42.66.
32. Heidi Wastler, West Germany, 1:42.67.
33. Heidi Wastler, West Germany, 1:42.68.
34. Heidi Wastler, West Germany, 1:42.69.
35. Heidi Wastler, West Germany, 1:42.70.

WOMEN'S OVERALL STANDINGS
1. Graham, 1:40.44.
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5. Kiehl, 1:42.21.
6. Weizel, 1:42.24.
7. Epple, 1:42.29.
8. Sjöberg, 1:42.40.
9. Figini, 1:42.44.
10. Gutierrez-Solano, 1:42.45.
11. Eder, 1:42.46.
12. Krieger, 1:42.48.
13. Wastler, 1:42.49.
14. Gschwandtner, 1:42.50.
15. Christensen, 1:42.51.
16. Kiehl, U.S., 1:42.51.
17. Wastler, 1:42.52.
18. Sjöberg, 1:42.53.
19. Wastler, 1:42.54.
20. Wastler, 1:42.55.
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22. Wastler, 1:42.57.
23. Wastler, 1:42.58.
24. Wastler, 1:42.59.
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28. Wastler, 1:42.63.
29. Wastler, 1:42.64.
30. Wastler, 1:42.65.
31. Wastler, 1:42.66.
32. Wastler, 1:42.67.
33. Wastler, 1:42.68.
34. Wastler, 1:42.69.
35. Wastler, 1:42.70.

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23. Wastler, 1:42.58.
24. Wastler, 1:42.59.
25. Wastler, 1

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